Gruppo Dolomiti energia

FINANCIAL STATEMENTS
2024

On the cover and inside cover: One Group, many faces - Dolomiti Energia Group archive

FINANCIAL STATEMENTS
2024

DOLOMITI ENERGIA HOLDING SPA

Fully paid-up Share Capital 411,496,169 euro
Via Manzoni 24 – Rovereto
Trento Register of Companies No. – Taxpayer ID and VAT No. 01614640223
www.gruppodolomitienergia.it

FINANCIAL YEAR

AS AT 31 DECEMBER 2024

BOARD OF DIRECTORS	**Chairperson** Arlanch Silvia **Deputy Chairperson** Massimo Fedrizzi **Chief Executive Officer** Stefano Granella **Directors** Manuela Seraglio Forti Tomasi Chiara Paolo Nicoletti Michele Iori Simone Canteri Giuseppe Consoli Marco Panfili Giorgio Franceschi Claudio Cortella
BOARD OF STATUTORY AUDITORS	**Chairperson** Monia Bonenti **Standing Auditors** Laura Costa Maura Dalbosco
INDEPENDENT AUDITORS	**PricewaterhouseCoopers SpA**

Board of Directors and Board of Statutory Auditors appointed on 29 April 2024.

TABLE OF CONTENTS

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

We can proudly say that 2024 marked the beginning of a new season for the Dolomiti Energia Group.

The past forms the foundation of who we are today, and today we can confidently say that we are a Group with a strong base, looking to the future with a focus on growth, playing an active and leading role in the energy transition and creating value.

Change and growth are closely connected. Change is often the driver that forces us to grow, evolve and adapt. Growth, in turn, requires a certain openness to change, the ability to embrace new perspectives and to venture outside our comfort zone.

Our Group is evolving and has certainly stepped out of its comfort zone. Over the past 20 years, we have experienced significant growth, starting from Trentino and expanding across Italy. We cherish our origins; Trentino is our homeland, but today our vision extends beyond the mountains, embracing a broader horizon.

The Dolomiti Group does not abandon its roots. It remains solid and competent. But a new Energy is spreading, giving it dynamism and a new drive towards the future.

In this future, in addition to being an energy producer and market player, it intends to be an enabler, a brave innovator, taking on an active role in the energy transition. The Dolomiti Energia Group aims to be a Group in which the contribution of the individual is essential to us all moving in the same direction.

And the direction we have taken is one of growth and value creation for all our stakeholders, including shareholders, employees, customers, suppliers, and the community.

The Group's first step will be to build a shared identity. To cultivate a joining of minds while maintaining its distinctiveness as a multiutility.

2024 was the year of change; 2025 will be the year of Group identity.

The new governance has brought awareness of our means and potential, strength and drive, all energy that leads us towards a new 2025-2030 Strategic Plan where we could refloat fearless decisions and major investments.

EVENTS

This year was marked by results not only in terms of financial outcomes but, above all, of investments and completed projects.

In line with the 2023-2027 Strategic Plan and consistent with the development lines drawn, the Group has completed important extraordinary transactions that have led to an increase in the consolidated net worth and the ability to increase business.

An extraordinary level of investments, amounting to 545.6 million euro, mainly for the purchase of full control of investees but also for investments in renewable energy production plants.

At the beginning of the year, the purchase of the remaining 67% of the associate EPQ was completed, as was the process, already started in 2023, for acquisition of the 40% of Hydro Dolomiti Energia (HDE) held by the Macquarie European Infrastructure Fund 4, thereby obtaining full control of the investee.

At the end of the year, the agreement with IVPC was signed for the establishment of a strategic partnership to optimise synergies between the two Groups, integrating their respective skills to foster mutual growth. The Dolomiti Energia Group has invested in the share capital of a number of IVPC Group companies that hold assets and are specialised in the development, management and maintenance of wind and photovoltaic plants, also on behalf of third parties, opening up the opportunity to invest in renewable energy production also through revamping, using existing plants that will be upgraded and renewed. Increasing renewable energy production without building new plants, but instead renewing existing and outdated plants represents a further step towards environmental sustainability.

The Dolomiti Group and the EPICO Group signed the purchase agreement for the acquisition of the entire share capital of Hydrowatt SHP Srl. The transaction will be concluded at the beginning of 2025 and includes 14 photovoltaic plants located in Marche, Abruzzo, Lazio and Molise.

With these investments, the Group continues its diversification of sources of energy production, again renewables, and intends to evaluate the possibility of participating with the plants acquired in the remote self-consumption scheme with energy-intensive companies. The objective is to enhance the Group's synergies by generating innovative services for the energy transition, playing the active empowerer role that will position it as a major player in the energy transition, faithful to its Vision.

Dolomiti Energia Holding awarded the tender referring to NRRP funds for the construction of an electrolyser for green hydrogen production powered by a series of photovoltaic plants and has begun construction of the plant south of Rovereto.

The issue of Resolution No. 1658 by the Council of the Autonomous Province of Trento on 18 October, which redefined the deadlines for large hydroelectric diversion concessions and extended them to 31 March 2029, was pivotal for our Group.

In addition to business operations, the Group has worked extensively on transforming the corporate culture, orienting it more towards managing change in the internal organisation by promoting the introduction of new skills essential for positive influence, and has worked on strengthening existing controls.

I like to recall that 2024 was the year of inductions to the Board of Directors, of approval of the Board Regulations, the year of the CSRD.

Again in 2024, the Dolomiti Energia Group worked on projects that redefine how talent is perceived and managed in the company. Strongly believing in the power of volunteering, we decided to train our people by strengthening their soft skills, making them available to the less fortunate through a corporate volunteering project.

Continuous training has been placed at the centre of the development strategy.

The extension of the Family Audit certification, initially awarded only to Dolomiti Energia S.p.A., to the other Group companies, along with the Gender Equality Certification obtained by Dolomiti Energia Holding and Dolomiti Energia, demonstrates the company's commitment to diversity and inclusion, fostering a work environment that values differences and promotes fairness.

The Group's workforce as at 31 December 2024 numbered 1,634 (1,544 in 2023): a development that reaches the number of employees envisaged for the end of 2027 in the Strategic Plan (1,684 FTE).

ECONOMIC AND FINANCIAL RESULTS

In 2024, the Group's EBITDA grew considerably, thanks to an exceptional water supply and an energy price level that remained robust, making it possible to achieve a record result of 678.5 million euro (392.6 million euro in 2023). All the Group's businesses made an excellent contribution to the result, from generation, to the regulated market, to the sale of energy.

Total energy production grew by a massive 58% compared to 2023, and 50 MWh of this are attributable to new production from wind and photovoltaic plants. A highly positive result given that the Group only recently decided to diversify production sources from hydroelectric power.

The net profit for the year was 348.2 million euro (169.8 million euro in 2023) net of income taxes paid for 162.5 million euro.

The net financial position of the Group amounted to 396.8 million euro, higher than the 2023 figure (267.6 million euro), mainly due to the increase in technical investments, and the aforementioned acquisition of 40% of the investee HDE, now a 100% subsidiary.

The economic results for the year, despite considerable outflows for the investments made, amounting to 545.6 million euro, gave a ratio between the Net Financial Position and EBITDA of 0.6, essentially in line with the previous year's ratio, reflecting the Group's financial soundness and its investment capacity.

THE FUTURE

2025 is expected to be a positive year for the Group.

The path taken towards organisational change and business growth will bring us many important challenges that will be represented in the new 2025-2030 Strategic Plan, which the Board will be expected to approve in the coming months.

A Plan that will start from a solid financial position, thanks not only to the good results achieved but also to extension of the main hydroelectric concessions to 2029. The uncertainty is currently represented by a global energy market that is showing a rising price trend driven by the price of gas due to geopolitical tensions and, at local level, by the outcome of the area tender for gas distribution, expected by the end of the second half of 2025, the award of which will be a particularly important moment for the Group, potentially confirming it as the sole area operator or, alternatively, review its role in the natural gas distribution sector.

***

On behalf of the Board of Directors, I would like to thank all employees and workers of the Group for the skills and commitment that they bring to their work every day.

I personally thank everyone for the trust and patience they are showing in a Group change and reorganisation project that is still in progress and therefore still barely visible.

The Chairperson
Silvia Arlanch

REPORT ON OPERATIONS


PRONTO
INTERVENTO
GAS
GASTECH

This report has been prepared in compliance with the Italian Civil Code and refers to both the separate and consolidated financial statements of the Company. The book values in this report were determined in application of the accounting standards adopted for the preparation of the financial statements, i.e. the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), and adopted by the European Union ("EU IFRS" or "International Accounting Standards").

For more details, please refer to point 2 of the Explanatory Notes to the separate and consolidated financial statements.

SIGNIFICANT EVENTS DURING THE YEAR

From a macroeconomic perspective, 2024 was characterised by a slowdown in economic growth and inflationary trends due to restrictive monetary policies and growing geopolitical uncertainty. In 2024, in view of data confirming a reduction in inflation, the central banks started to cut interest rates: from September, the European Central Bank reduced its policy rates by 0.25% three times, and suggest a normalisation of monetary policy during 2025.

As highlighted in detail below, there was a drop in commodity prices, resulting in a significant decline in the average annual price of electricity (PUN) from 127 euro/MWh in 2023 to 108 euro/MWh in 2024 and that of gas (PSV-DA) from 42 euro/MWh to 36 euro/MWh. Despite this decrease, caused by actions taken at international level to strengthen supply source diversification in the European energy system, the price of gas and consequently of electricity are exposed to high volatility fuelled by international political tensions, the dynamics of climate conditions and non-programmable renewable source production trends. At national level, 2024 recorded electricity demand of 312 TWh, a slight increase compared to 2023 (+2%) but still lower than in 2021 (315 TWh) and 2020 (320 TWh).

Renewable sources covered 41% of demand, a significant increase compared to 2023 (37%) thanks to the contribution of hydroelectric power generation supported by a water supply decidedly higher than historical values. The contribution of other renewable sources, particularly photovoltaic, is also growing.

The growth in renewable sources, with around 7.5 GW of new plants installed in 2024, confirms the path towards decarbonisation of the electricity system and the energy transition in general. The decarbonisation targets set by the PNIEC require significant investments in renewable source generation capacity, electricity grids, storage systems and energy efficiency, but also major changes in the management of energy consumption: technological developments will undoubtedly allow a qualitative leap in the process of achieving the targets, particularly in today's most difficult sectors. In this scenario, thanks to its sustainable nature and strong presence in the territory, the Group has started a process of strengthening and expansion its renewable energy generation with acquisition of a minority interest in the investee HDE, completed in 2024, and with the agreement with IVPC for the acquisition of a majority stake of a pipeline of approximately 900 MW in wind and photovoltaic plants in operation and under development, signed in 2024 and concluded in February 2025.

With reference to hydroelectric generation and in particular to the issue of concession deadlines for large hydroelectric diversions, important and positive developments were recorded in 2024: among these, Resolution No. 1658 of 18 October of the Council of the Autonomous Province of Trento which redefined the concession deadlines for large hydroelectric diversions, extending them to 31 March 2029.

The combination of price trends, higher level of water availability and the solid performance of electricity and gas sales business, in addition to the significant contribution from regulated businesses, enabled the achievement of highly positive results: consolidated EBITDA amounted to 678.5 million euro, up strongly compared to the results of 2023 (392.6 million euro), while the net profit attributable to the Group came to 348.2 million euro, also showing a marked increase on the previous year (169.8 million euro). Both for EBITDA and for the net profit of the Group, these values represent the highest figures ever achieved since the Group was established.

The net financial position of the Group amounted to 396.8 million euro, higher than the 2023 figure (267.6 million euro), mainly due to the increase in technical investments, and the aforementioned acquisition of 40% of the investee HDE, now a 100% subsidiary, and the acquisition of 67% of EPQ Srl, now a 100% subsidiary.

These figures gave a ratio between the Net Financial Position and EBITDA of 0.6, in line with the previous year's ratio, reflecting the Group's financial soundness and its investment capacity.

With regard to technical investments, during 2024 the construction of the primary substation in Ciré di Pergine was completed and major construction sites were opened for the primary substations of Grigno and Campitello di Fassa, with works due to begin in 2025. In the gas distribution business, methanisation activities continued in the municipalities of Canazei and Cavalese, while as regards waste management, investments linked to services for the Vallagarina Community were particularly important.

Investments also continued to maintain the Group's hydroelectric assets in perfect working order, including work on the Santa Massenza and Riva del Garda plants.
In this context, aware of the challenges that the energy transition scenario and the growth ambitions pose during 2024, an in-depth analysis of the organisational model was launched to strengthen corporate governance and optimise synergies between the various Group companies, with the aim of improving the ability to respond to market challenges and guaranteeing greater flexibility and innovation in processes. At the same time, the management and enhancement of human resources was strengthened by adopting a strategic model that recognises the value of employee talent and engagement. The People Strategy is therefore structured to create value through the development of human capital, promoting an inclusive working environment and focusing on individual well-being. In this context, we successfully extended the Family Audit certification, initially assigned to Dolomiti Energia, also to the other Group Companies, as a further sign of attention to the needs of personnel, to work-life balance issues and to increasing both the corporate and community well-being. Furthermore, Dolomiti Energia Holding and Dolomiti Energia obtained Gender Equality Certification under UNI/PDR 125/22. This result is a significant achievement and represents further concrete evidence of the policies supporting female empowerment, work-life balance and parenting support.

With these transformations, the Dolomiti Energia Group is confirmed as an innovative, future-oriented organisation, able to successfully face the challenges of the energy sector and to make the most of its human resources.

DOLOMITI ENERGIA GROUP SUMMARY OF ECONOMIC, EQUITY AND FINANCIAL POSITIONS

INCOME STATEMENT

The consolidation scope of the Dolomiti Energia Group comprises 20 companies, which in detail are, in addition to the Parent Company Dolomiti Energia Holding, the subsidiaries Dolomiti Energia SpA, Dolomiti Energia Solutions srl, SET Distribuzione SpA, Novareti SpA, Hydro Dolomiti Energia srl, Dolomiti Edison Energy srl, Dolomiti Energia Trading SpA, Dolomiti GNL srl, Dolomiti Energia Hydro Power srl, Gasdotti Alpini srl, Dolomiti Ambiente srl, Dolomiti Energia Wind Power srl, EPQ srl, Green fin srl, Dolomiti Transition Asset srl, New Power Group srl, Power 2 srl, Fondo Perla srl and Dolomiti Hydro Storage srl.

In relation to the economic data, the following information is provided.

(figures in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Revenue	2,218,409	2,195,159	23,250
Revenue from works on assets under concession	78,419	78,131	288
Other revenue and income	48,021	68,002	(19,981)
Total revenue and other income	**2,344,849**	**2,341,292**	**3,557**
Raw materials and consumables	(835,809)	(1,158,492)	322,683
Service costs	(630,355)	(545,575)	(84,780)
Costs from works on assets under concession	(76,654)	(76,451)	(203)
Costs for other operating charges	(48,649)	(96,742)	48,093
Personnel	(88,460)	(78,335)	(10,125)
Operating expenses	**(1,679,927)**	**(1,955,595)**	**275,668**
Gains and expenses from equity investments	13,548	6,902	6,646
EBITDA - Gross operating margin	**678,470**	**392,599**	**285,871**
Amortisation, depreciation, allocations and write-downs	(72,604)	(67,301)	(5,303)
EBIT - Operating result	**605,866**	**325,298**	**280,568**
Financial (income)/charges	(2,126)	(10,889)	8,763
PROFIT BEFORE TAX	**603,740**	**314,409**	**289,331**
Taxes	(162,471)	(82,416)	(80,055)
NET PROFIT/(LOSS) FOR THE YEAR	**441,269**	**231,993**	**209,276**
Profit/(loss) - minority interests	93,076	62,185	30,891
PROFIT/(LOSS) OF THE GROUP	**348,193**	**169,808**	**178,385**

The total revenue and other income amounted to 2,345 million euro (2,341 million euro in 2023).

Operating costs amounted to 1,680 million euro (1,956 million euro in 2023).

Personnel costs amounted to 88.5 million euro (78.3 million euro in 2023).

The gross operating margin (EBITDA), including income from equity investments, rose strongly compared to the previous year to 678.5 million euro (392.6 million euro in 2023). In percentage terms compared to total revenue and other income, it was 29.0% (16.8% in 2023).

Total amortisation, depreciation, allocations and write-downs of fixed assets amounted to 72.6 million euro (67.3 million euro in 2023), a considerable increase compared to the previous year.

The equity investments result is a positive 13.5 million euro, an increase compared to 6.9 million euro of the previous year.

The EBIT achieved amounted to 605.9 million euro, versus 325.3 million euro in 2023.

Financial management shows a charge of 2.1 million euro, a distinct improvement compared to last year's charge of 10.9 million euro. The main components are represented by the interest on bonds and on the uses of bank credit facilities.

Income taxes for the year totalled 162.5 million euro (82.4 million euro in 2023) and take into account the deferred tax assets and liabilities as illustrated in detail in the Explanatory Notes.

Consolidated net profit, net of minority interests, was 348.2 million euro (169.8 million euro in 2023). Note that the share of 40% of the economic result of the subsidiary HDE for the period 1 January 2024 to 31 August 2024, equal to 77.5 million euro, the period prior to full acquisition by the Parent Company, was also recognised in the profit (loss) of minority interests.

STATEMENT OF FINANCIAL POSITION

In relation to the equity and financial data, the following information is provided.

(figures in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
NET FIXED ASSETS			
Property, plant and equipment	1,866,676	1,734,981	131,695
Equity investments	84,766	97,872	(13,106)
Other non-current assets	31,748	23,464	8,284
Other non-current liabilities	(123,680)	(117,828)	(5,852)
TOTAL	**1,859,510**	**1,738,489**	**121,021**
NET WORKING CAPITAL			
Trade receivables	411,383	462,015	(50,632)
Trade payables	(300,916)	(275,338)	(25,578)
Net tax credits/(payables)	(74,593)	(43,039)	(31,554)
Assets/(liabilities) held for sale			-
Other current assets/(liabilities)	45,015	8,904	36,111
TOTAL	**80,889**	**152,542**	**(71,653)**
GROSS INVESTED CAPITAL	**1,940,399**	**1,891,031**	**49,368**
SUNDRY PROVISIONS			
Employee benefits	(11,932)	(12,766)	834
Provisions for risks and charges	(33,850)	(32,636)	(1,214)
Net deferred tax assets	(104,872)	(118,269)	13,397
TOTAL	**(150,654)**	**(163,671)**	**13,017**
NET INVESTED CAPITAL	**1,789,745**	**1,727,360**	**62,385**
SHAREHOLDERS' EQUITY	**1,392,978**	**1,459,794**	**(66,816)**
NET INDEBTEDNESS	**396,767**	**267,566**	**129,201**

The Group’s technical investments in 2024 totalled 127.3 million euro (115.4 million euro in 2023).

KEY ECONOMIC AND FINANCIAL RESULT INDICATORS

ECONOMIC INDICATORS

The indicators illustrated take into consideration the reclassification of previous year values for financial statements comparison purposes.

Ratio	Formula	2024	2023	change
ROE	Net profit/Equity	27.70%	16.70%	11.00%
ROI	EBIT/Invested capital	21.60%	12.50%	9.10%
ROS	EBIT/Turnover	25.80%	13.90%	11.90%
EBITDA	Gross operating margin (thousands of Euro)	678,470	392,599	285,871
EBIT	Net operating margin (thousands of Euro)	605,866	325,298	280,568

The indicators all record a distinct improvement, due mainly to the excellent performance of the market activities and electricity production activities.

FINANCIAL AND EQUITY INDICATORS

Ratio	Formula	2024	2023	change
Hedging of net fixed assets	Equity + medium/long-term liabilities/net fixed assets	0.90	0.85	0.05
Debt ratio	Liabilities/Equity	1.23	1.57	(0.34)
Secondary liquidity ratio	Short-term assets/short-term liabilities	0.92	1.28	(0.36)

RISK ANALYSIS – GROUP OBJECTIVES AND POLICIES ON RISK MANAGEMENT

FINANCIAL RISKS

The "Risk Management" department operates in the area of financial risks to ensure more effective action in the applicable operating environment.

The "Group Risk Policy" was also updated by the Board of Directors; the purpose of the document is to define the Group's guidelines relating to governance, management strategy and controlling the following financial risks:

- Liquidity risk;
- Interest rate risk;
- Commodity price risk.

LIQUIDITY RISK

Liquidity risk is the risk that a company will not be able to fulfil its financial commitments due to the lack of sufficient liquidity.

The main factors that influence the total liquidity of the Group are the resources generated or absorbed by operations and the contractual characteristics of debt: however, the Group has sufficient cash credit facilities to cover its liquidity needs.

Liquidity risk management aims to define a financial structure in line with the corporate objectives and that can ensure a suitable level of short-term liquidity and a balance in terms of debt duration and breakdown that is capable of supporting the investment programmes.

In order to effectively monitor the Group liquidity, the "Risk Management" function has implemented a control system aimed at ensuring that the credit lines are extensive enough to deal with any prospective stress situations.

INTEREST RATE RISK

The interest rate risk refers to the possibility that fluctuations in the cost of money have repercussions on the level of financial charges originating from floating rate borrowings. In that sense, the "Risk Management" department, in association with the "Finance" department, will prepare stress tests to predict the potential economic impact of adverse interest rate trends: the results of said tests will be presented to the Board of Directors every year which will decide on a management strategy for said risk on the basis of said findings.

Total indebtedness as at 31 December 2024 is broken down as follows:

- 65% at fixed rate
- 16% hedged with derivative instruments (IRS plain vanilla)
- 19% at floating rate.

COMMODITY PRICE RISK

Monitoring the price of commodities is fundamental to avoid that its fluctuations mean significant changes in the Group's operating margins.

Using a control system is thus fundamental to limit undesired effects on the economic result that compromise the achievement of the company's budget targets.

This risk emerges from sale agreements for natural gas and electricity, as well as from the environmental certificates (in particular White Certificates, Guarantees of Origin and EUA – European Emissions Allowances) that make up the Group's source and commitment portfolio.

The objective of the "Risk Management" department is to monitor operations of the Group's Trading companies in the commodities market, to ensure compliance with the limits set to the assumption of economic-financial risks.

Based on these directives, the department was provided with instruments useful to measure exposure to the variability of commodity prices: among them, a fundamental role is played by the ETRM software, which allows automatically to generate numerous indicators, such as Value at Risk and Profit at Risk, which allow to assess the risk of the activity on one or more markets, as well as to prevent the potential negative impacts of future price fluctuations.

REGULATORY RISKS

With reference to regulated sectors (operation of the environment and distribution networks), a Group structure named "Regulation of relations with Agencies-Authorities" is dedicated to continuously monitoring the progress of the reference regulations in order to assess their effects and mitigating them when possible.

Managing this risk implies the following activities:

- management of technical-institutional relations;
- technical-regulatory support towards the Group's operating structures.

With a view to continuous improvement, the Group has also developed a reporting system for regulatory fulfilments for the electricity and gas sectors.

The main regulatory risks identified can be summarised as follows:

- risks consequent to changes in domestic and European sector laws, and of regulations and interpretation of the competent Authority (ARERA), which can impact the Group's operation and results;
- risks connected with the obtainment of concessions (assigned with public tenders) from local authorities for the management of electricity and natural gas distribution services;
- risks connected with the change to the fees applied to electricity and gas distribution services rendered, determined by the sector Authority, whose change may impact the Group's operating results.

OPERATIONAL RISKS

The Group has also identified the following main operational risks:

- risks deriving from the stipulation of partnership and joint venture agreements for the management of new entities and businesses, in which management is not exclusive and may lead to significantly different results from those expected;
- risks relating to seasonality and atmospheric conditions, whose variability can significantly influence the production of hydroelectric energy, as well as the demand for electricity and natural gas;
- risks tied to the concentration of the Group's business mainly in the Trento Province and hence the strong influence which the economic conditions of the reference geographic area can have on the performance of the entity.

WORKPLACE HEALTH AND SAFETY

For a complete examination of workplace health and safety management and the data, please refer to the specific paragraph of the sustainability report included at the end of the Report on Operations.

DOLOMITI ENERGIA HOLDING SPA

SUMMARY OF ECONOMIC, EQUITY AND FINANCIAL POSITIONS

INCOME STATEMENT

(figures in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Revenue	15,118	11,066	4,052
Other revenue and income	36,394	32,644	3,750
TOTAL REVENUE AND OTHER INCOME	**51,512**	**43,710**	**7,802**
Raw materials and consumables	(1,621)	(2,251)	630
Service costs	(31,946)	(27,684)	(4,262)
Costs for other operating charges	(1,677)	(1,695)	18
Personnel	(19,055)	(16,052)	(3,003)
OPERATING EXPENSES	**(54,299)**	**(47,682)**	**(6,617)**
EBITDA - GROSS OPERATING MARGIN	**(2,787)**	**(3,972)**	**1,185**
Amortisation, depreciation, allocations and write-downs	(10,675)	(10,952)	277
Gains and expenses from equity investments	89,620	44,318	45,302
EBIT - OPERATING RESULT	**76,158**	**29,394**	**46,764**
Financial income/(charges)	(7,965)	(3,467)	(4,498)
PROFIT BEFORE TAX	**68,193**	**25,927**	**42,266**
Taxes	3,769	2,713	1,056
NET PROFIT/(LOSS) FOR THE YEAR	**71,962**	**28,640**	**43,322**

Total revenue and other income amounted to 51.5 million euro.
Operating costs amounted to 54.3 million euro (47.7 million euro in 2023), of which:

- personnel costs amounted to 19.0 million euro;
- amortisation, depreciation, allocations and write-downs amounted to 10.7 million euro.

The EBITDA recorded a negative value of 2.8 million euro.
The EBIT, net of income and expenses from equity investments, had a negative value of 13.5 million euro.
EBIT including gains from equity investments was positive for 76.2 million euro.
Gains from equity investments amounted to 89.6 million euro (44.3 million euro in 2023).
Charges from financial management were 8.0 million euro.

Income taxes for the year amounted to 3.8 million euro and take into account the Group tax consolidation income and the deferred tax assets and liabilities as described in detail in the Explanatory Notes.

Profit for the year came to 72.0 million euro, increasing by 43.3 million euro compared to the result achieved in 2023.

STATEMENT OF FINANCIAL POSITION

(figures in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
NET FIXED ASSETS			
Property, plant and equipment	71,828	63,705	8,123
Equity investments	1,267,194	852,692	414,502
Other non-current assets	1,217	2,253	(1,036)
Other non-current liabilities	(787)	(107)	(680)
TOTAL	**1,339,452**	**918,543**	**420,909**
NET WORKING CAPITAL			-
Trade receivables	12,221	10,642	2,647
Trade payables	(18,079)	(11,951)	(7,196)
Net tax credits/(payables)	(69,704)	(41,041)	(28,663)
Assets/(liabilities) held for sale			-
Other current assets/(liabilities)	67,320	32,501	34,819
TOTAL	**(8,242)**	**(9,849)**	**1,607**
GROSS INVESTED CAPITAL	**1,331,210**	**908,694**	**422,516**
SUNDRY PROVISIONS			-
Employee benefits	(2,276)	(2,339)	63
Provisions for risks and charges	(2,253)	(1,252)	(1,001)
Net deferred tax assets	5,354	4,728	626
TOTAL	**825**	**1,137**	**(312)**
NET INVESTED CAPITAL	**1,332,035**	**909,831**	**422,204**
SHAREHOLDERS' EQUITY	**625,561**	**600,730**	**24,831**
NET INDEBTEDNESS	**706,474**	**309,101**	**397,373**

Investments in fixed assets made by the Company in 2024 totalled 19.1 million euro (10.7 million euro in 2023).

During the year, substantial equity investments were made and, in particular, steps were taken to acquire: 40% of the subsidiary HDE with an outlay of 366 million euro and 67% of the associate EPQ with an investment of 50 million euro, achieving 100% control of both companies.

RISK ANALYSIS – CORPORATE OBJECTIVES AND POLICIES ON RISK MANAGEMENT

FINANCIAL RISKS

LIQUIDITY RISK

Dolomiti Energia Holding's liquidity risk exposure lies in the actual ability to have the financial resources to support its ordinary business activities within the necessary time intervals. The Company's financial position is constantly monitored and does not exhibit any critical issues.

MARKET RISK

The market risk that the Company is exposed to may be broken down as follows:

- price risk: the electricity generated by the plants is sold at a fixed price to Dolomiti Energia Trading, to which the price risk is thus transferred;
- exchange rate risk: the Company mainly operates on the national market and is thus marginally exposed to floating currency exchange rates;
- interest rate risk: with the aim of mitigating this risk, the Company has entered into interest rate derivative transactions, details of which are listed in the Explanatory Notes.

OPERATIONAL RISKS

RISKS RELATING TO JOINT VENTURE AND PARTNERSHIP AGREEMENTS

The Company has signed sharing agreements for the management of significant businesses mainly in the hydroelectric field and in other energy segments. In the future, the Company may enter into other partnerships with the same counterparties or with new ones. The expected return for these transactions imply the use of assumptions and estimates by the management and they may lead to results that are even significantly different from the expectations. In addition, it should be pointed out that in these partnerships the Company may not have an exclusive position in decision-making processes and that certain risks may also derive from the integration of persons, processes, technologies and products. The above may significantly influence the economic and financial results of the Company.

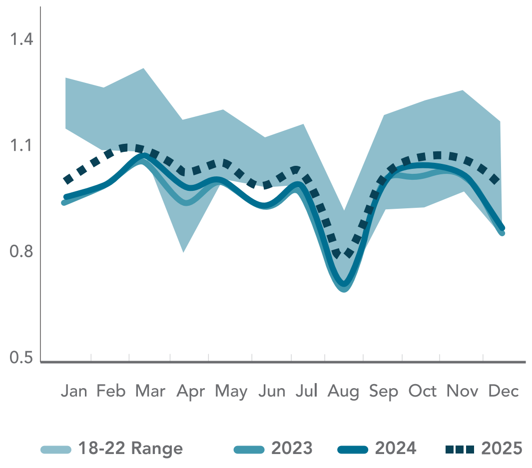
THE ENERGY, MARKET AND REGULATORY SCENARIO

GENERAL PERFORMANCE OF THE ENERGY MARKETS

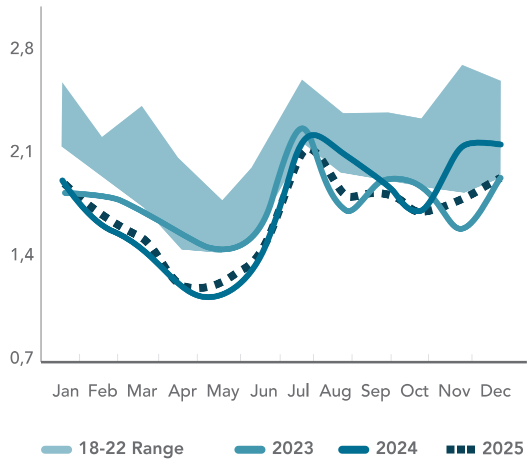
In addition to a water supply figure much higher than the historical average, 2024 was characterised by average commodity prices which, though still very high when compared with pre-crisis levels, were down compared to 2023 for both natural gas and electricity. Specifically, the price of natural gas was 36 euro/MWh in 2024 (42 euro/ MWh in 2023), though in the last months of 2024 the price rose significantly, reaching 48 euro/MWh in December 2024, a value not seen since the first quarter of 2023.

The causes of this late-year increase are mainly linked to two factors: on the one hand, stoppage of all gas flows from Russia to the European continent and, on the other hand, an average temperature slightly colder than in recent years, which contributed to depleting gas stocks more quickly than in the last two years (the latter figure was primarily observed in continental Europe, while it was slightly less pronounced in Italy).

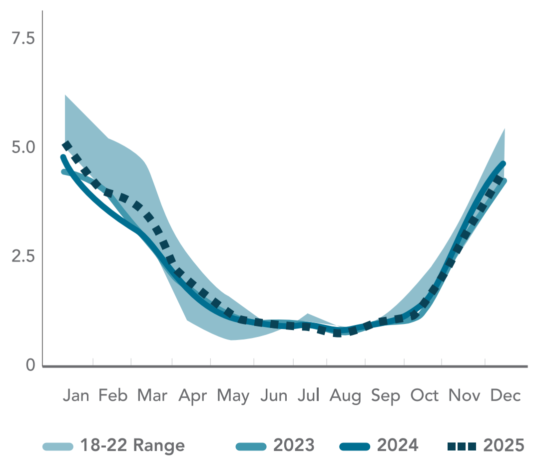
Industrial Gas Demand



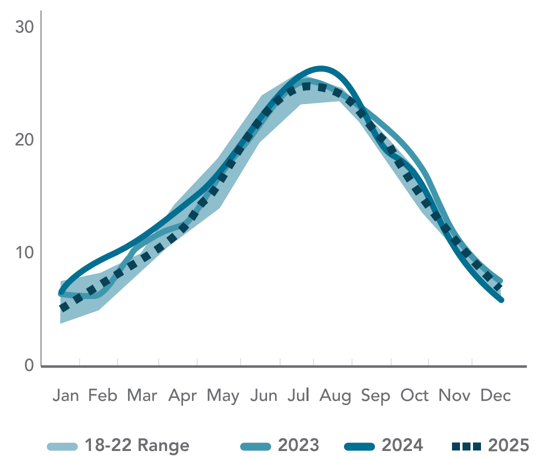
Thermoelectric Gas Demand



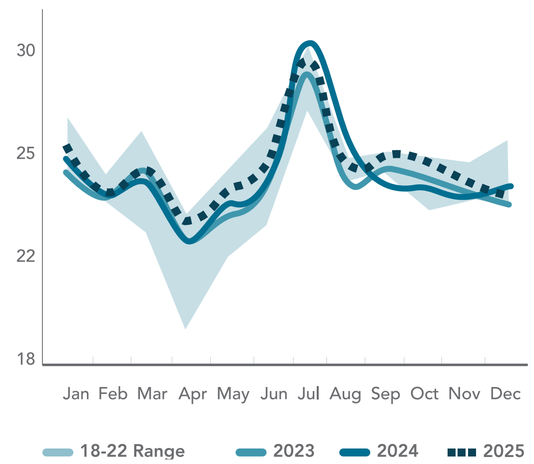
Households Gas Demand



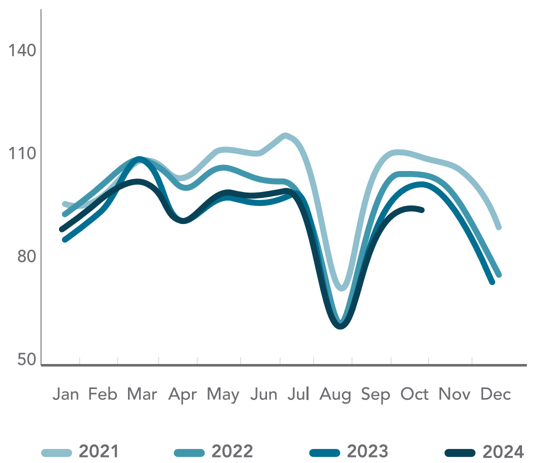
Average Temperatures



Total Electricity Demand



Electricity Industrial Consumption Index



Source: MBS Consulting.

Gas and energy demand levels recorded in Italy remained weak in 2024, partly due to lower gas consumption for thermoelectric energy production, thanks in turn to high renewable energy output, particularly from hydroelectric sources.

Since, again in 2024, the marginal price of electricity in Italy was determined for most hours by combined cycle gas production, the gas price trend in turn led to a drop in the Single National Price (PUN), which decreased to an average of 108 euro/MWh in 2024 compared to 127 euro/MWh in 2023 (-15%).

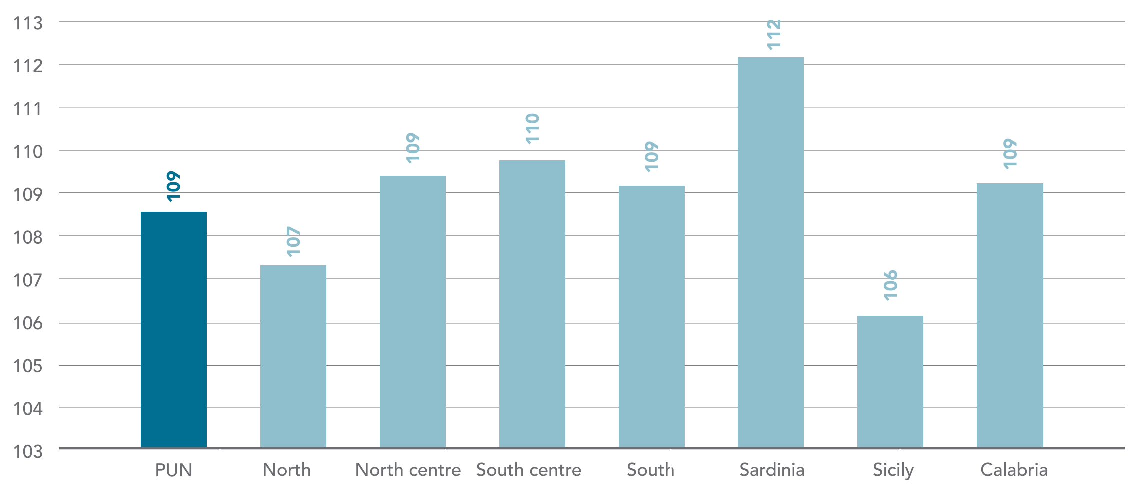
Similarly to natural gas, the PUN values also progressively increased from April (when the minimum value of 87 euro/MWh was reached) to December (when the peak value of 135 euro/MWh was recorded, well above the average price for both 2024 and 2023).

Monthly average PUN (€/MWh)

	2024	2023	Changes	
			Chg.	%
January	99.2	174.5	-75.3	-43%
February	87.6	161.1	-73.4	-46%
Marchy	88.9	136.4	-47.5	-35%
April	86.8	135.0	-48.2	-36%
May	94.9	105.7	-10.8	-10%
June	103.2	105.3	-2.2	-2%
July	112.3	112.1	0.2	0%
August	128.4	111.9	16.5	15%
September	117.1	115.7	1.4	1%
October	116.7	134.3	-17.6	-13%
November	130.9	121.7	9.2	8%
December	135.1	115.5	19.6	17%
AVERAGE FOR THE YEAR	**108.5**	**127.2**	**-18.7**	**-15%**

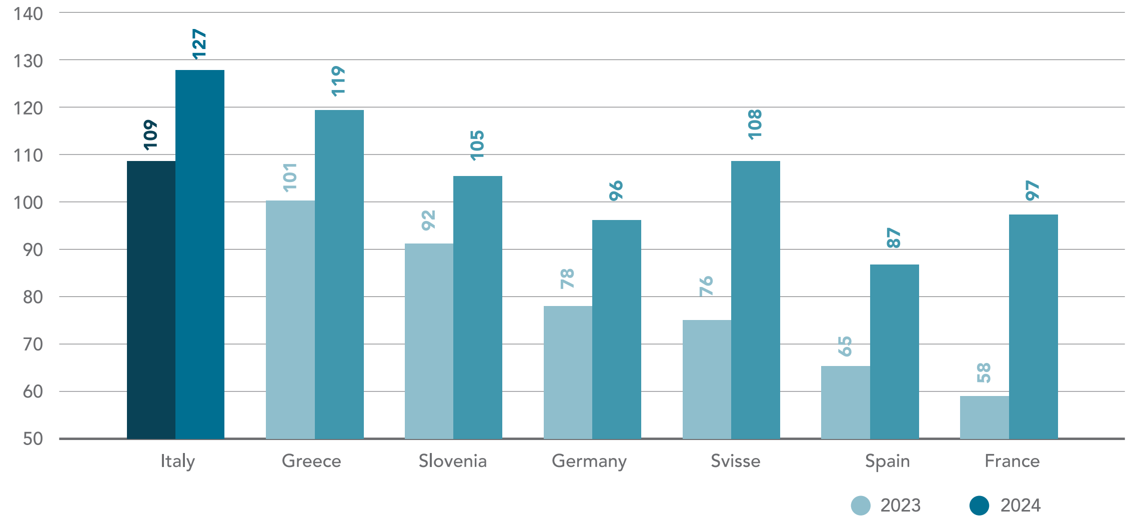
The average zone prices in Italy saw Sicily in top spot with 112 euro/MWh (+3 euro/MWh compared to the PUN) while Sardinia ranks last with an average price of 106 euro/MWh (-3 euro/MWh compared to the PUN).

Electricity zone prices Italy 2024, €/MWh



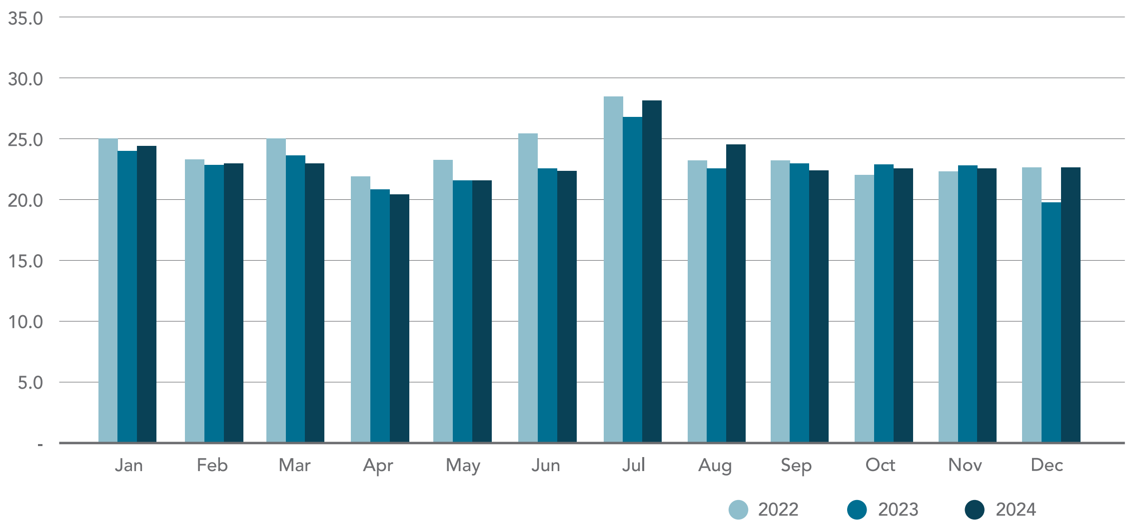
Also in Europe, prices in 2024 returned to levels lower than in 2023. Italy remains one of the European countries with the highest price, followed by Greece, Slovenia, Germany, Switzerland, Spain and, lastly, France.

Electricity prices in Europe 2024 vs 2023, €/MWh



National electricity demand in 2024 (312 TWh) was 2.2% higher than in 2023 (306 TWh) (source: Terna) and was higher in the summer months, mainly due to the demand for air conditioning consumption. The final figure for 2024 was in any case 1% lower than that of 2023 (315 TWh) and 2% lower than in 2022 (320 TWh).

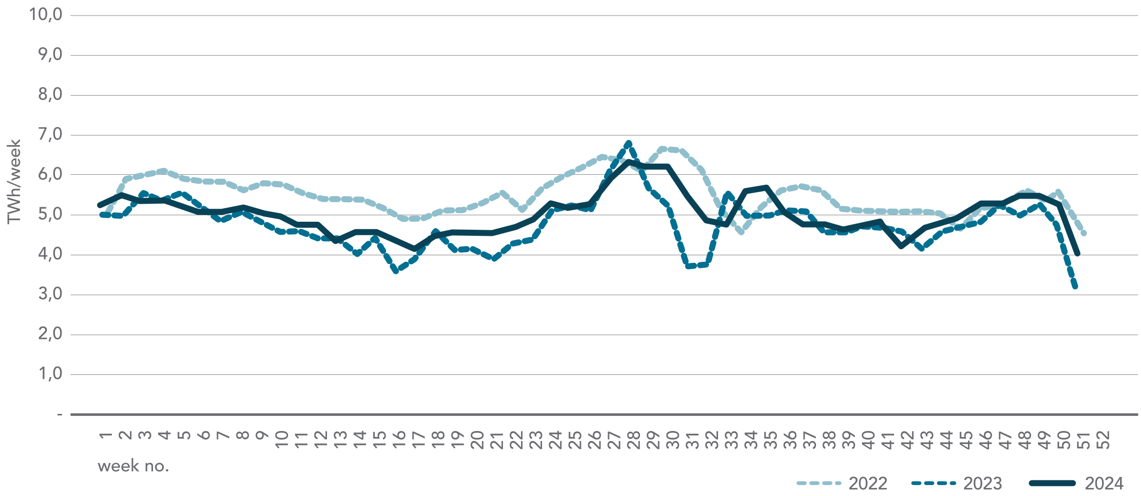
Electricity demand, TWh



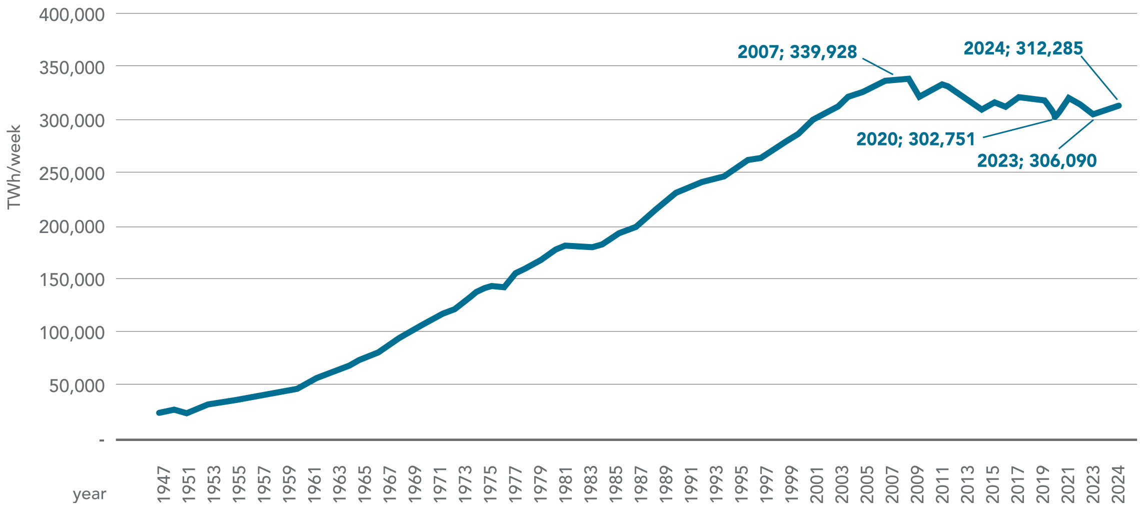
(source: Terna)

The weekly trend in electricity demand is shown below, with peak demand at 6.6 TWh in week 29 (15-21 July 2024).

Weekly demand Italy, TWh



Electricity consumption Italy



As seen, the Italian electricity consumption curve increases in a straight line until 2007, apart from the crises of the mid-'70s and '80s. After 2007, however, electricity consumption decreased, with a relative minimum in 2020 (303 TWh), the year of the COVID lockdown.

GENERAL PERFORMANCE OF THE ENERGY MARKETS

ELECTRICITY

According to the latest available final data (from Terna S.p.A.), electricity consumption in Italy in 2024 stood at around 312,285 million kWh, an increase of 2.2% compared to 2023.

Demand coverage was guaranteed from the various sources shown in the following table:

Millions of kWh

	2024	2023	% change
Renewable hydroelectric	52,076	39,949	30.4%
Pump consumption in production[2]	1,451	1,530	-5.2%
Thermal	146,452	156,156	-6.2%
of which gas	*129,761*	*129,477*	*0.2%*
of which biomass	*13,184*	*14,571*	*-9.5%*
of which coal	*3,507*	*12,108*	*-71.0%*
Geothermal	5,269	5,310	-0.8%
Wind	22,068	23,373	-5.6%
Photovoltaic	36,064	30,236	19.3%
stand-alone storage	120	8	1400.0%
TOTAL PRODUCTION, NET	**263,500**	**256,562**	**2.7%**
ABSORPTION OF STAND-ALONE STORAGE	**141**	**12**	**1075%**
ENERGY FOR PUMPING	**2,073**	**2,186**	**-5.2%**
TOTAL NET PRODUCTION FOR CONSUMPTION	**261,286**	**254,364**	**2.7%**
of which RES[3]	*128,661*	*113,439*	*13.4%*
of which NON RES	*132,625*	*140,925*	*-5.9%*
Import	55,904	54,568	2.4%
Export	4,905	3,317	47.9%
FOREIGN BALANCE	**50,999**	**51,251**	**-0.5%**
DEMAND IN ELECTRICITY [1]	**312,285**	**305,615**	**2.2%**

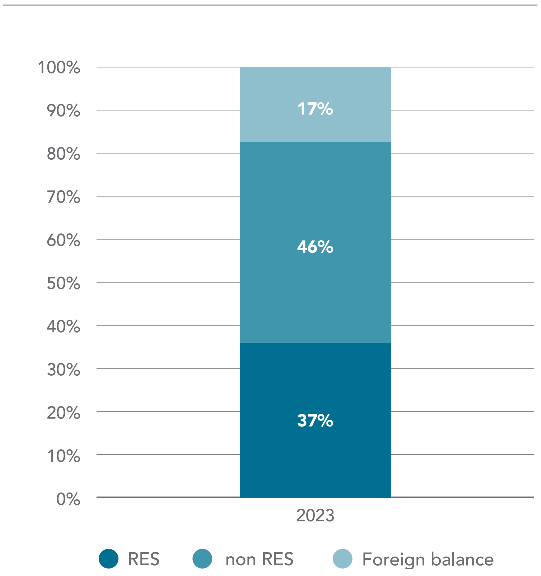
(1) Electricity demand = Total net production for consumption + Foreign Balance, where
Total net production for consumption = Total net production – energy for pumping
(2) Percentage production from pumping, calculated with the theoretical average yield from pumping in absorption
(3) Production from renewable sources (RES) = Renewable Water + Biomass + Geothermal + Wind + Photovoltaic

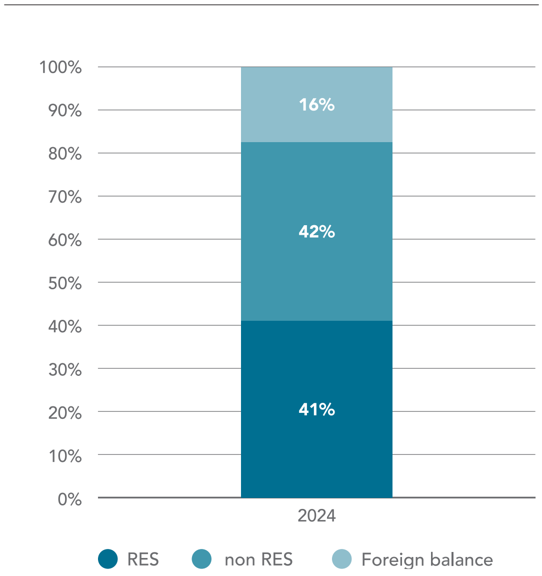
In 2024, the national electricity demand (312 TWh) was met for 84% from net national production for consumption (calculated net of auxiliary production services and consumption for pumping) and for 16% from the net foreign balance. The thermoelectric source, equal to 146 TWh (156 TWh in 2023), contributed 47% to the energy demand.

Gas production, equal to approximately 130 TWh, contributed 42% to satisfying energy demand, while biomass (13 TWh) contributed 4%. Coal-powered production (3.5 TWh) was more than 8 TWh lower than in 2023 and contributed to meeting 1% of the Energy demand (4% in 2023).

RES (hydroelectric, biomass, photovoltaic, wind and geothermal) contributed 41% to the demand for energy in Italy in 2024 (128.6 TWh out of 312 TWh), up compared to 37% in 2023.

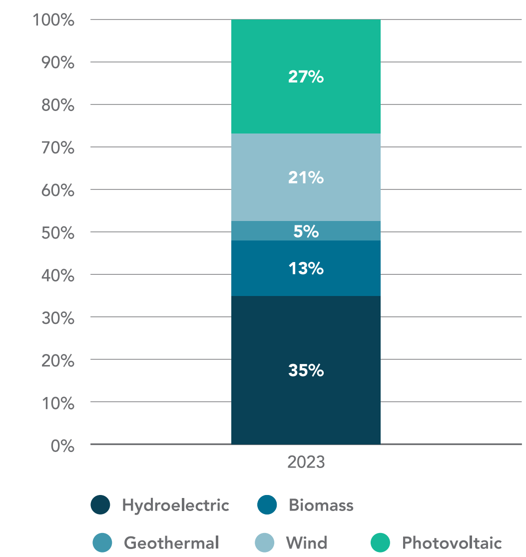
Percentage composition of energy demand in Italy, TWh



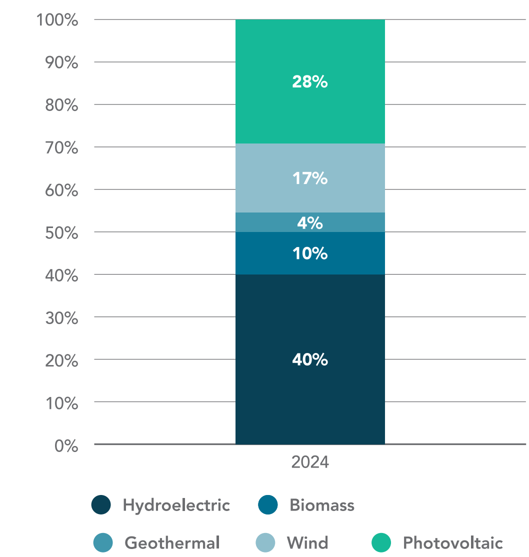


With regard to the RES production, hydroelectric is the strongest contributor (52 TWh, equal to 40% of total RES), followed by photovoltaic (36 TWh, 28%), wind (22 TWh, 17%), biomass (13 TWh, 10%) and geothermal (5 TWh, 4%).

Renewable Sources detail, GWh
2024

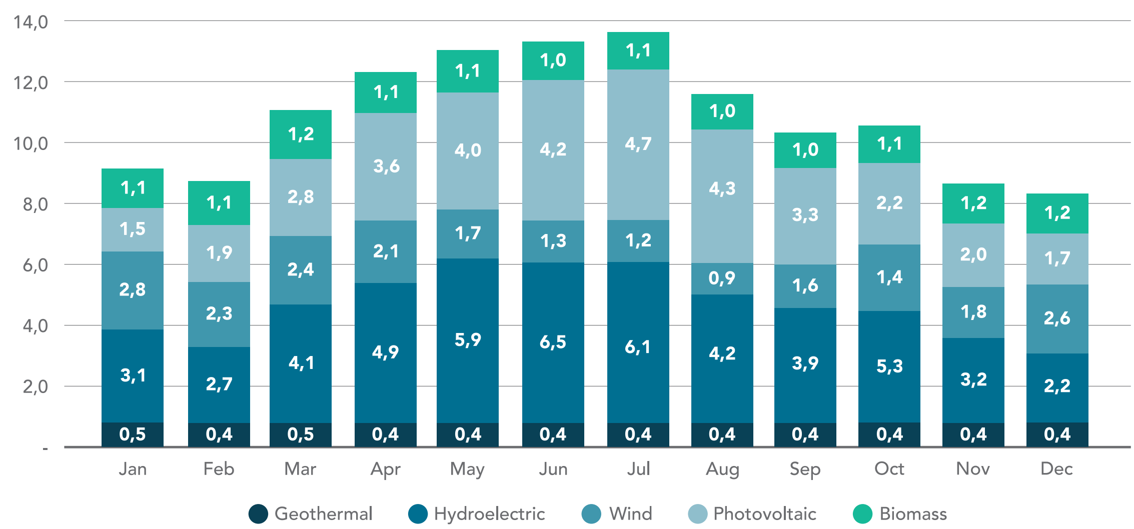


Renewable Sources detail, GWh
2023



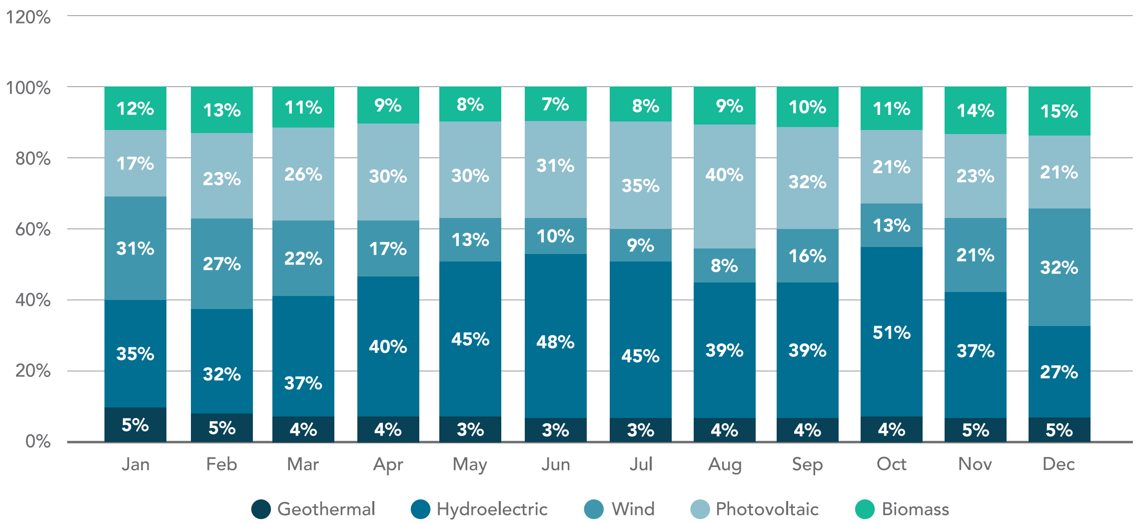
As shown in the chart below, hydroelectric was dominant among the RES for most of 2024, except in the last two months, when the water supply index decreased due to scarce autumn rainfall.

Monthly detail of RES 2024, TWh



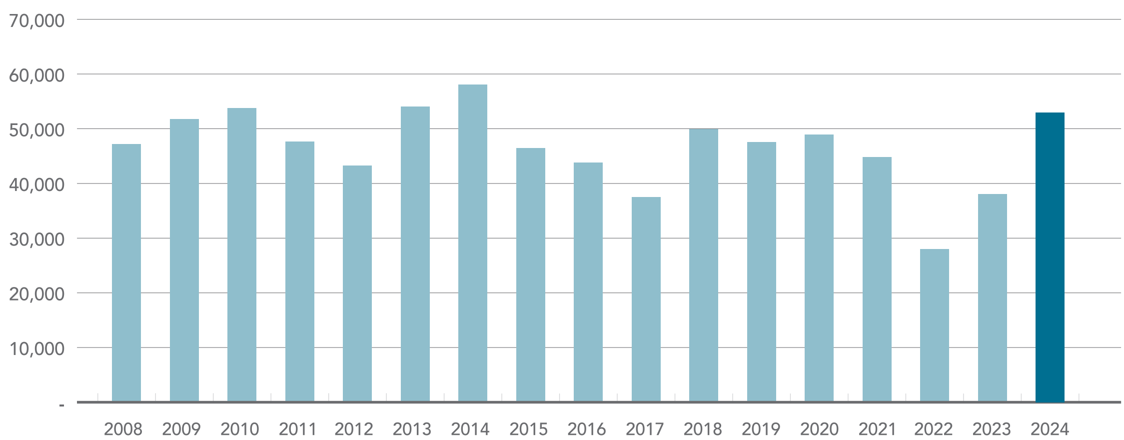
The contribution of hydroelectric to the RES production mix fell from 51% in October to 27% in December. Wind, on the other hand, rose from 8% in August to 32% in December.

Detail of RES 2024, %



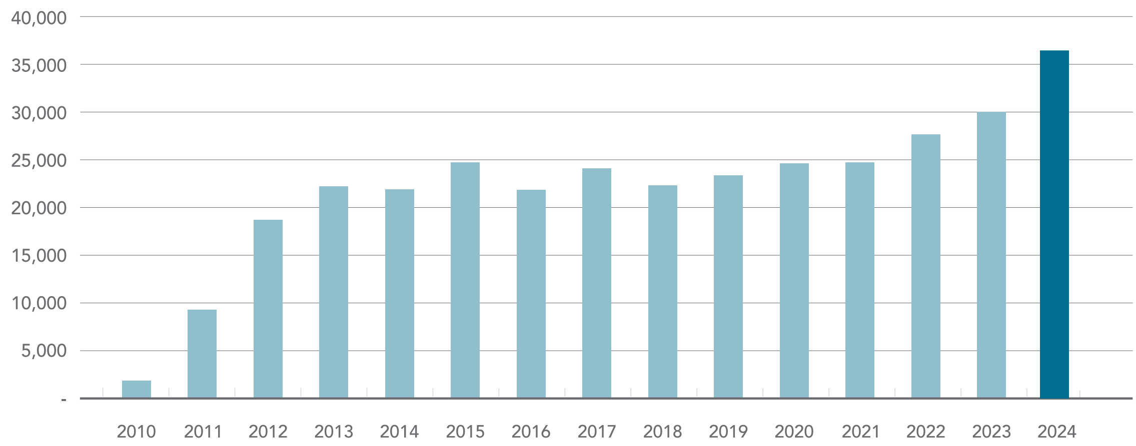
Hydroelectric production grew considerably compared to 2023 (+30%) due to a water supply figure higher than historical values.

Historical trend of hydroelctric production, GWh



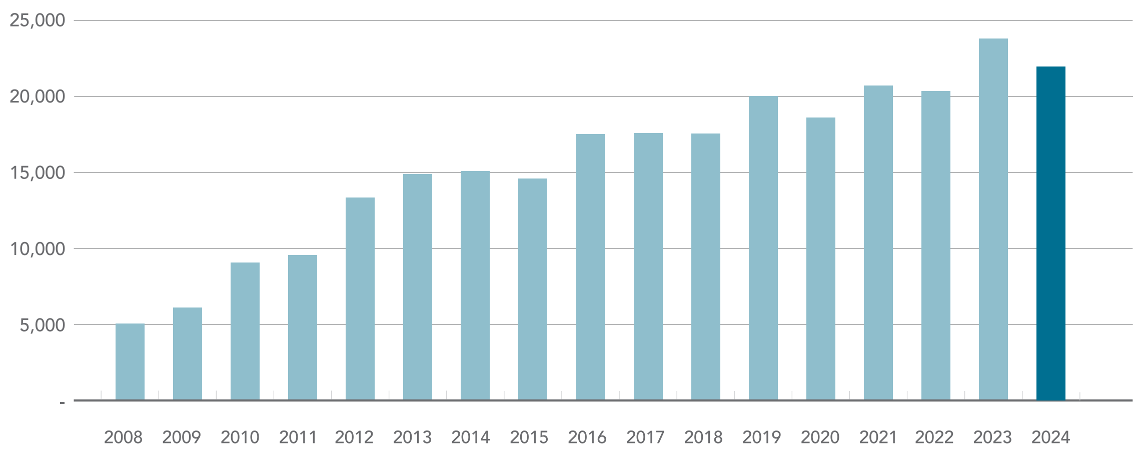
Photovoltaic production grew by more than 19% in 2024 compared to 2023, reaching over 36 TWh. As at 31 December 2024, the installed photovoltaic capacity was over 37 GW, an increase of 6,795 MW from 31 December 2023 (Terna data). The Italian region with the greatest increase was Lazio (+1,256 MW), followed by Lombardy (+766 MW) and Sicily (+505 MW).

Historical trend of photovoltaic production, GWh



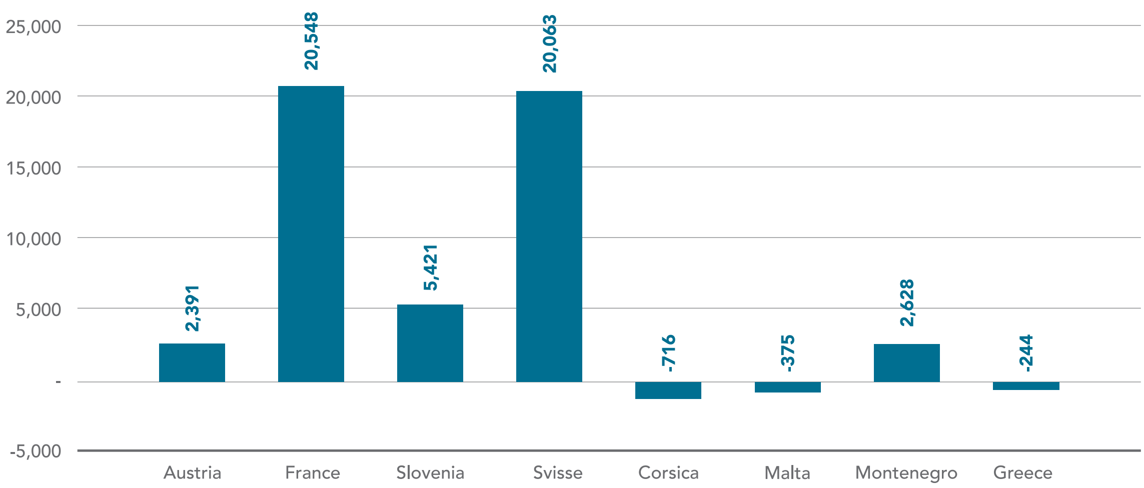
In 2024 wind production declined by more than 5% compared to 2023, at around 22 TWh. As at 31 December 2024, installed wind capacity was approximately 13 GW, an increase of 685 MW from 31 December 2023 (Terna data). The Italian region with the greatest increase was Campania (+218 MW), followed by Sicily (+166 MW) and Apulia (+131 MW).

Historical trend of wind production, GWh



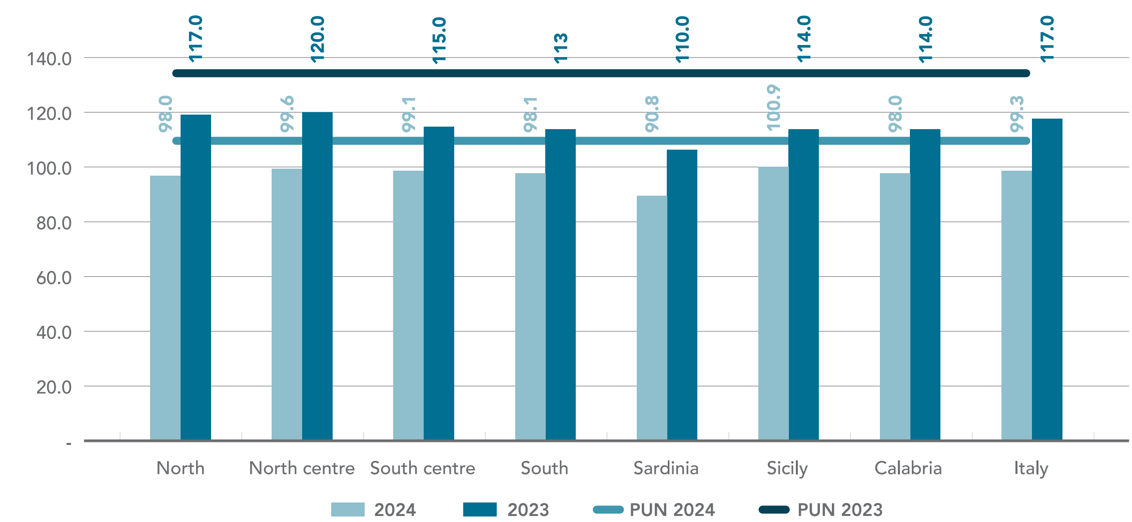
France and Switzerland are confirmed as the two European countries from which the most energy is imported.

Electricity imports in Italy 2024, GWh



The increase in photovoltaic production, concentrated in the central hours of the day, helped to lower the average prices captured by photovoltaic technology and consequently increase the spread between the captured price and the average PUN.

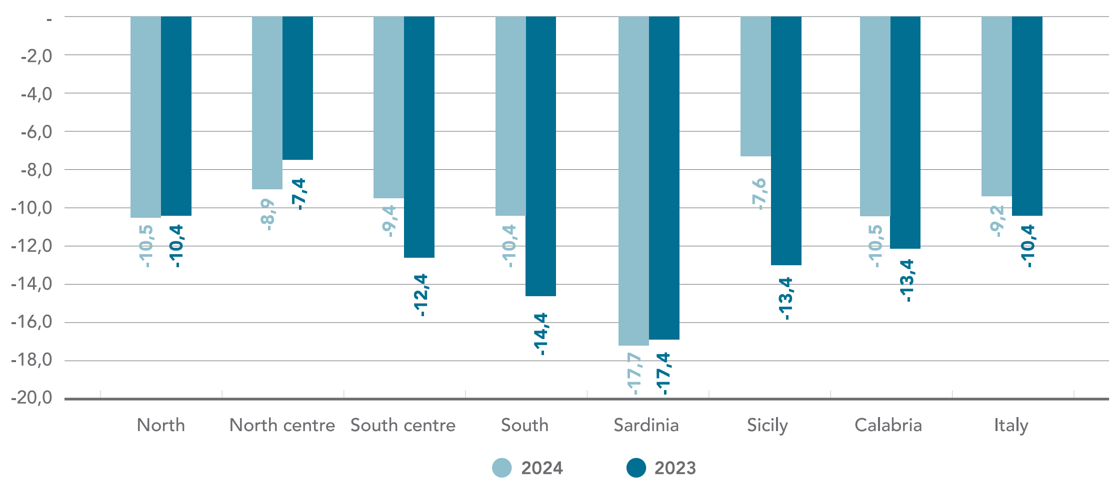
Captured Solar Price vs PUN baseload 2024 and 2023, €/MWh



(source MBSconsulting)

As seen in the chart, in 2024, in Sardinia, the photovoltaic price was lower than the average PUN by about 17 euro/MWh, while in Central Northern Italy it was about 7 euro/MWh lower.

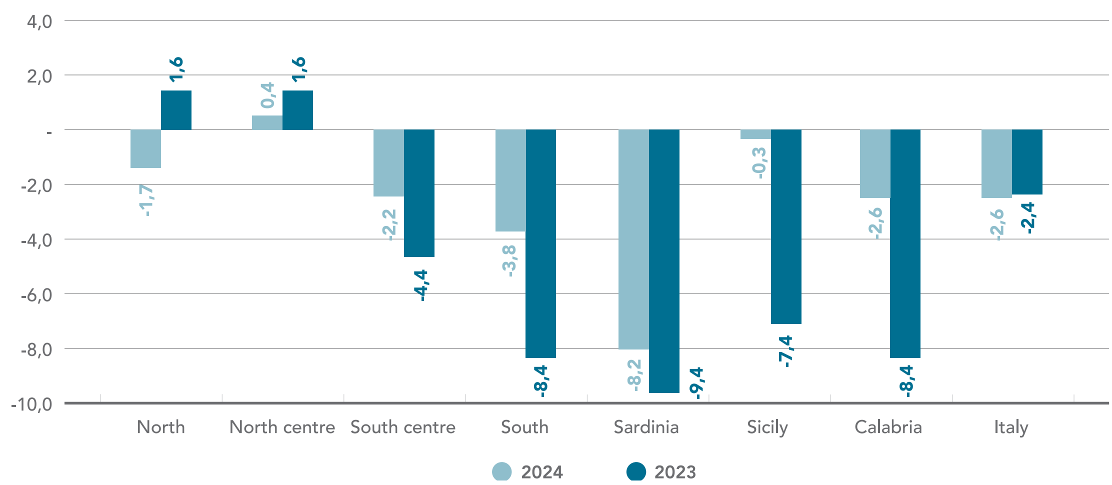
Captured Solar Price 2024 vs 2023, €/MWh



(source MBSconsulting)

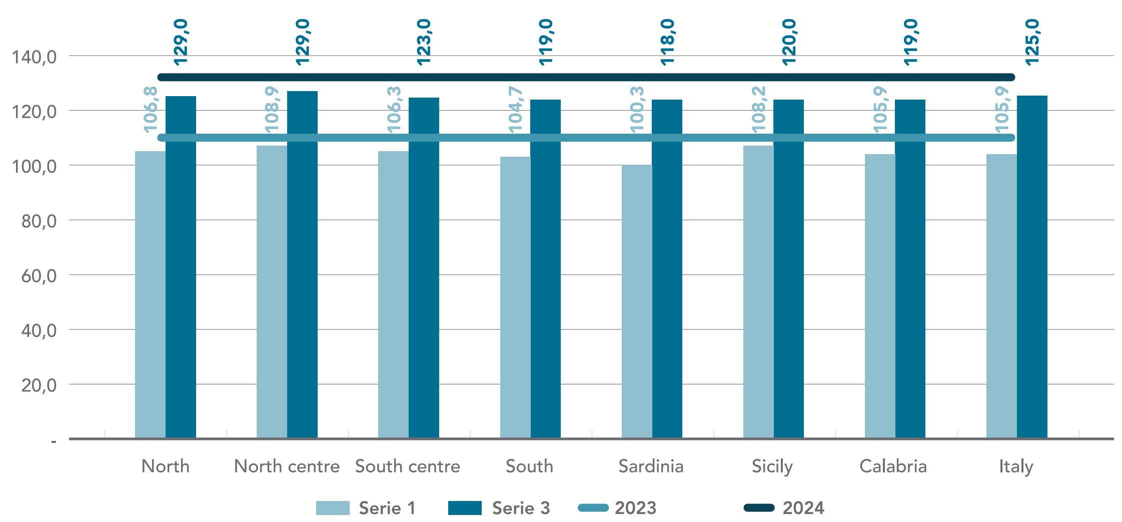
Much the same can be said for wind technology: the average captured price was lower than the arithmetic average PUN in 2024, albeit to a lesser extent than in 2023.

Captured Price Wind vs PUN baseload 2024 and 2023, €/MWh



(source MBSconsulting)

Captured Wind Price 2024 vs 2023, €/MWh



(source MBSconsulting)

NATURAL GAS

The demand for gas in Italy in 2024 was slightly higher than in 2023 (+0.6%), reaching around 61.8 billion cubic metres, compared to 61.5 billion cubic metres in 2023.

Monthly natural gas imports-exports Italy

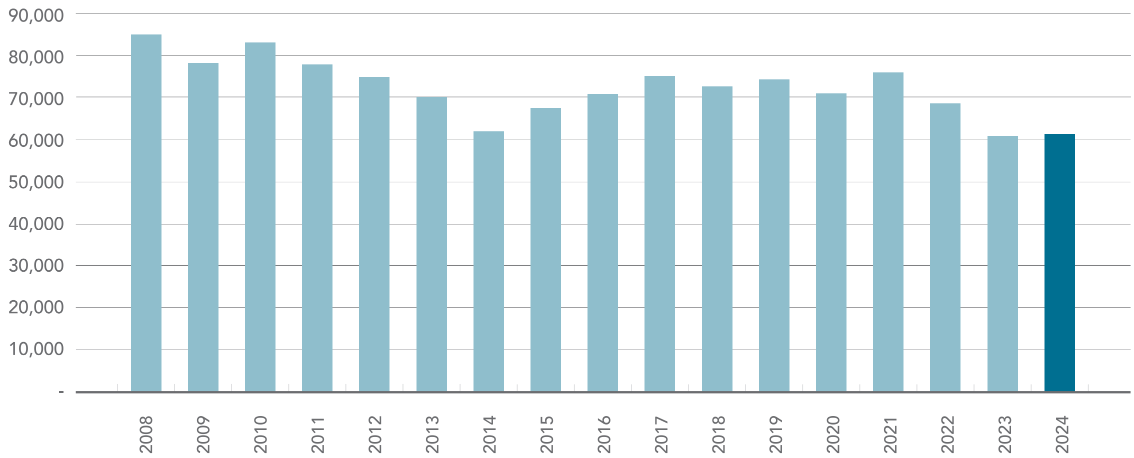
(Millions of standard cubic metres at 38.1 MJ/m3)

			JANUARY-DECEMBER		
			2024	2023	% Change
a)	NATIONAL PRODUCTION (2)		2,940	2,988	-1.6%
b)	IMPORTS		59,163	61,604	-4.0%
	by import point	MAZARA DEL VALLO	21,068	23,040	-8.6%
		GELA	1,406	2,522	-44.2%
		TARVISIO	5,607	2,844	97.1%
		PASSO GRIES	6,005	6,567	-8.5%
		MELENDUGNO	10,315	9,988	3.3%
		PIOMBINO (2)	3,612	1,238	191.7%
		PANIGAGLIA (2)	962	2,603	-63.0%
		CAVARZERE (2)	9,058	8,873	2.1%
		LIVORNO (2)	1,084	3,860	-71.9%
		GORIZIA	25	41	-39.6%
		OTHERS	21	29	-28.1%
c)	Exports		619	2,620	-76.4%
d)	Change in inventories (2)		-381	457	-183.5%
e) = a)+b)-c)-d)	Gross Domestic Consumption		61,864	61,516	0.6%

Source: Italian Ministry of the Environment and Energy Safety - Energy Department - DGIS
(1) Preliminary figures net of transits
(2) includes consumption and losses

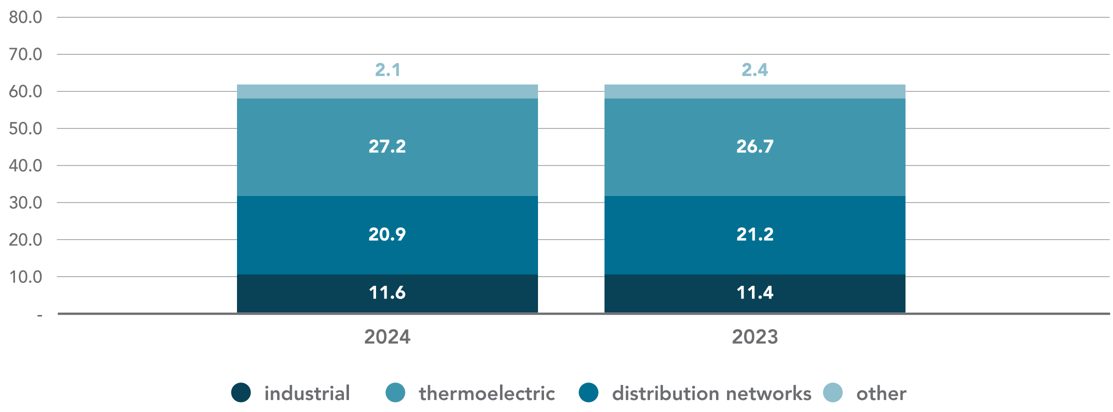
Gas consumption in Italy in 2024, as in 2023, was the lowest in recent years: almost 20% less than in 2008, which amounted to approximately 85 billion cubic metres.

Gross domestic consumption of natural gas in Italy, (millions of Sm3)



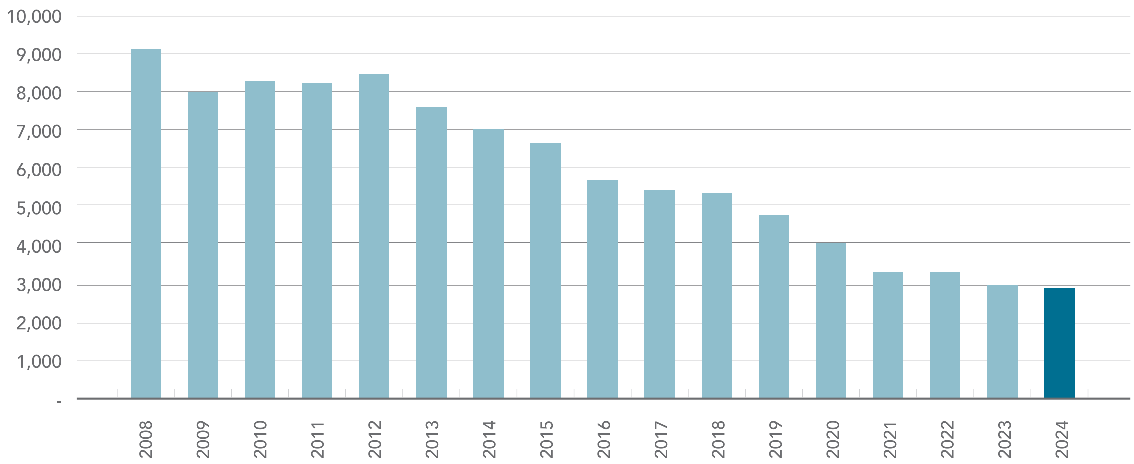
The consumption mix in 2024, divided among thermoelectric, industrial, and redeliveries to distribution networks, remained largely in line with 2023: 19% industrial, 21% thermoelectric, 27% distribution networks, and 3% other.

Mix of natural gas consumption in Italy, billions of Sm3



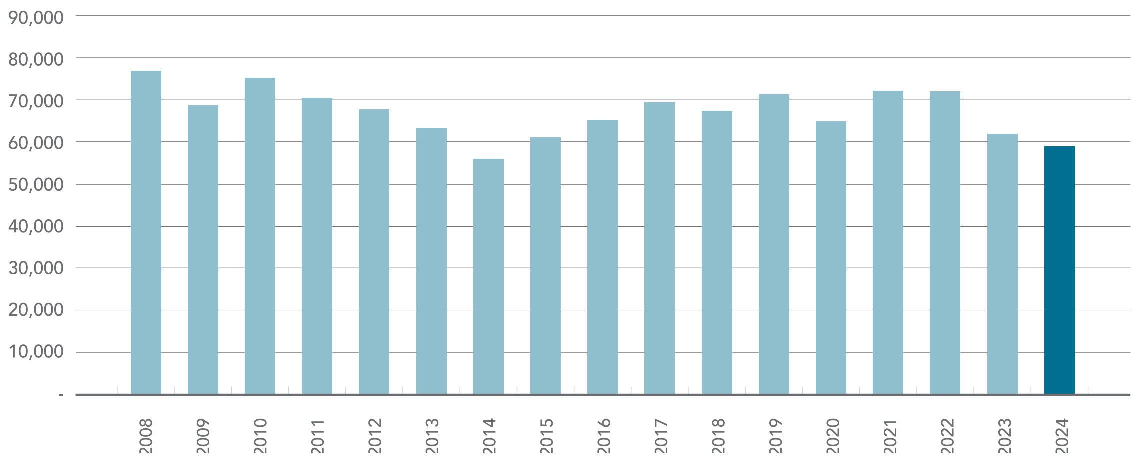
As regards gas procurement sources, national production was seen to be weak: in 2024 it was around 3 billion cubic metres, (national production of natural gas was 8.6 billion cubic metres in 2012).

National production of natural gas in Italy, millions of Sm3



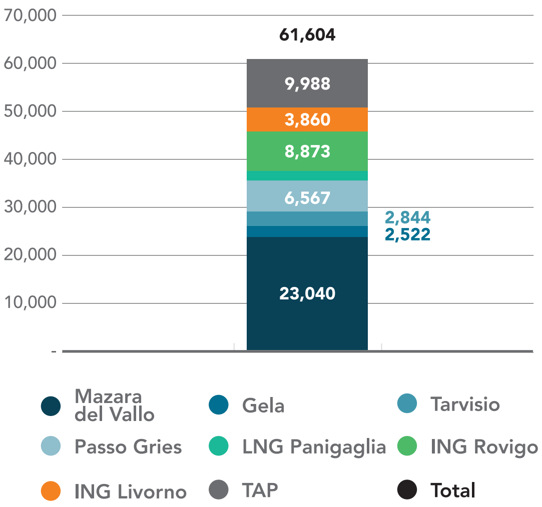
Gas imports into Italy in 2024 amounted to approximately 59 billion cubic metres, a figure slightly lower (-4%) than the 61 billion cubic metres imported in 2023.

Natural gas imports in Italy, millions of Sm3

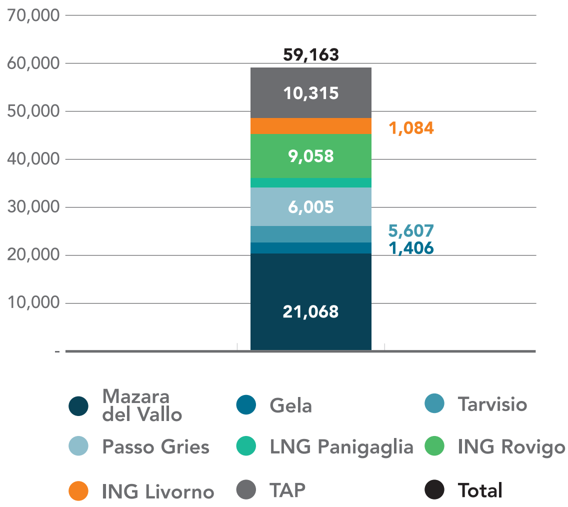


The domestic supply mix in 2024 saw a slight recovery in incoming volumes from Tarvisio (5.6 billion cubic metres in 2024 compared to 2.6 billion cubic metres in 2023) while imports via Mazara del Vallo (-9%), Gela (-44%) and the Gries Pass (-9%) all decreased. Imports via Meledugno, on the contrary, increased slightly (+3%). The total regasified gas (14.7 billion cubic metres) was down compared to that regasified in 2023 (-11%), mainly due to the decrease in regasified volumes through Livorno and Panigaglia, slightly offset by those regasified at Piombino.

Gas import mix in Italy, millions of Sm3
2023

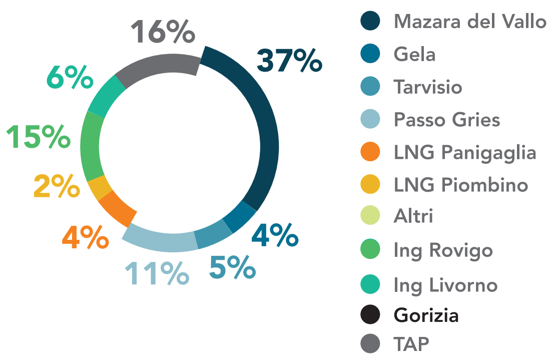


Gas import mix in Italy, millions of Sm3
2024

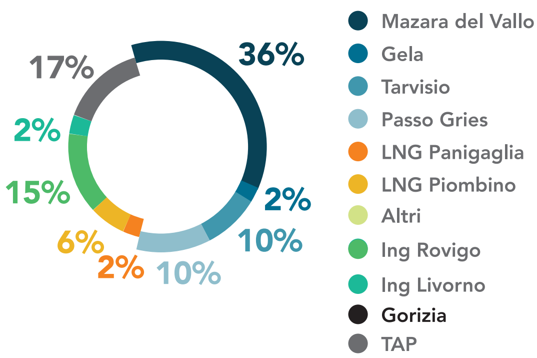


It can be seen that the percentage weight of procurement from LNG sources rose from 20% of the total imported in 2020 to 27% in 2023 and to 25% in 2024, while gas from Russia fell from 43% in 2020 to 9% in 2024.

Natural gas imports Italy
2023

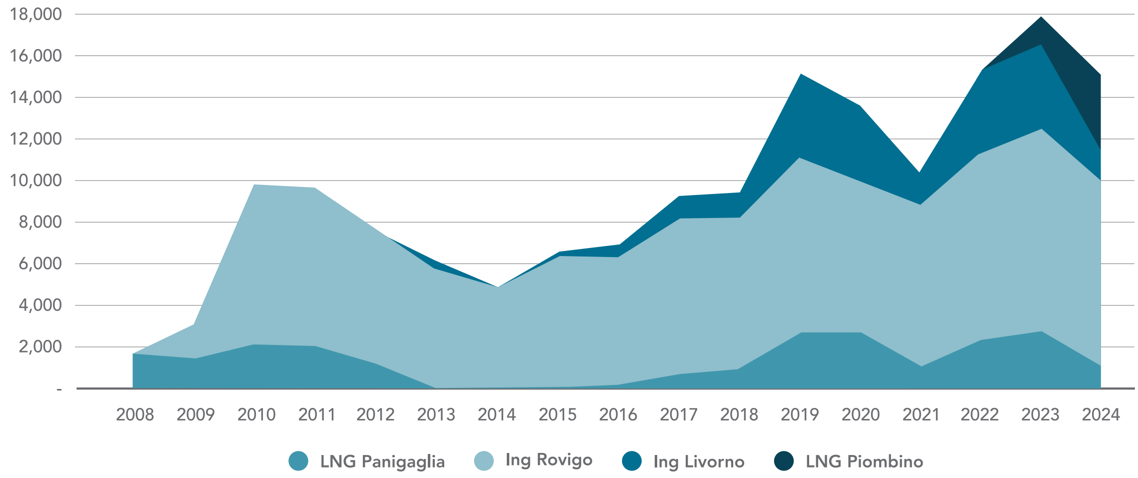


Natural gas imports Italy
2024



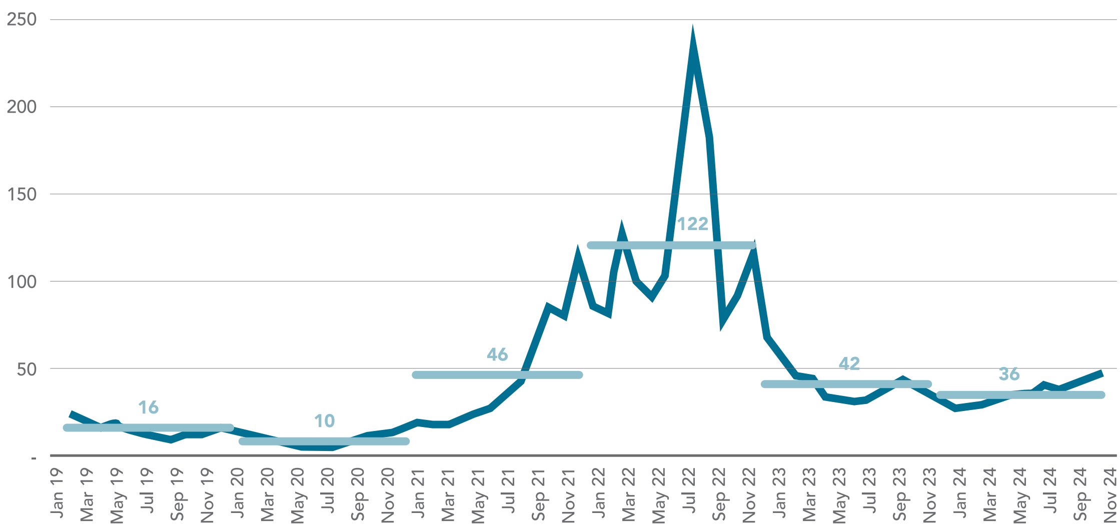
LNG imports through the regasification terminals of Rovigo, Panigaglia, Livorno and Piombino decreased from around 1.5 billion cubic metres in 2008 to almost 15 billion cubic metres in 2023.

LNG import mix in Italy, millions of Sm3

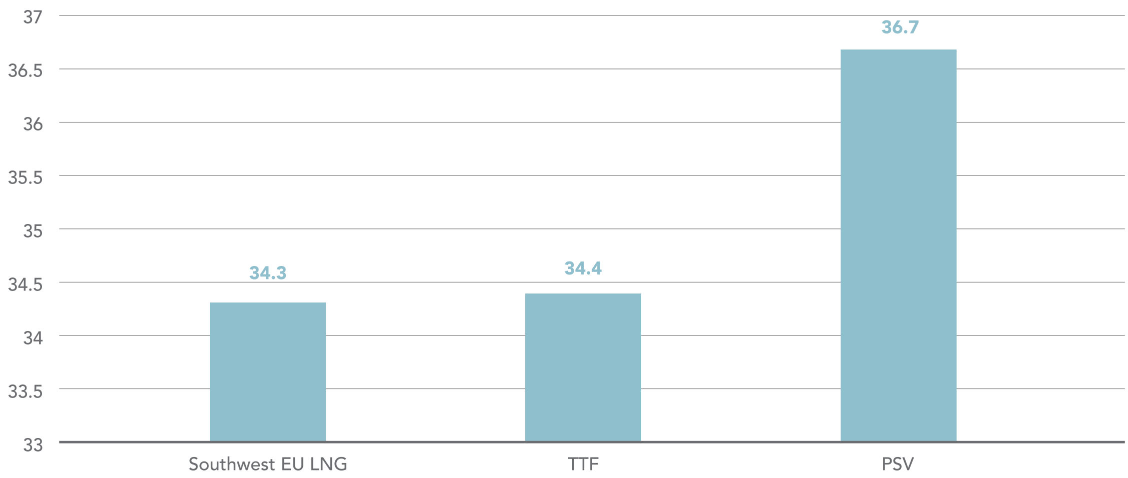


The price of natural gas in 2024 fell sharply compared to the prices recorded in 2023, not only in Italy. The reference price in Italy (PSV) was approximately 36 euro/MWh, while in 2023 it was 42 euro/MWh. The European reference price (TTF) was 34 euro/MWh, in line with the LNG Southwest reference price.

PSV DA, €/MWh



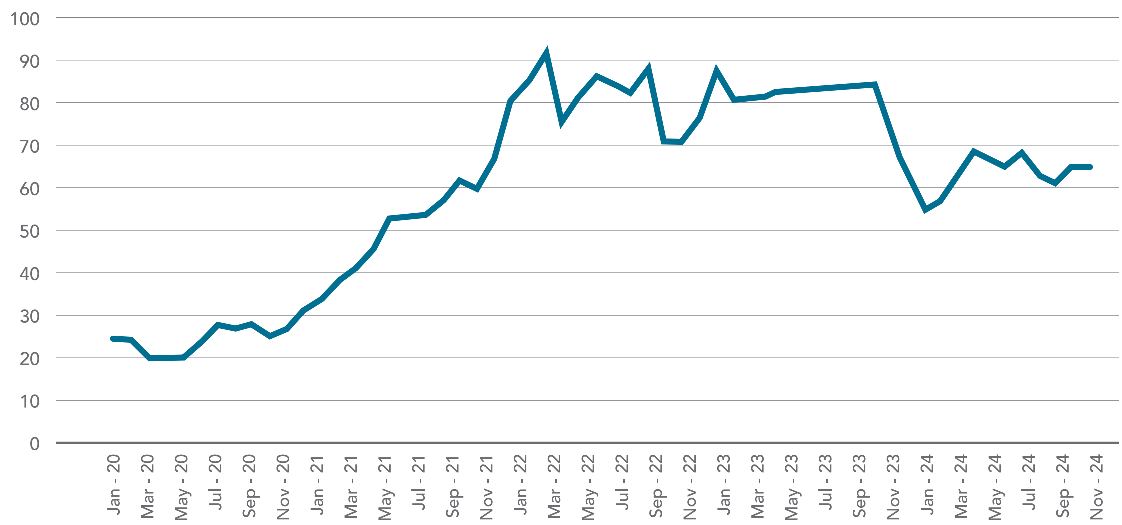
Natural gas prices 2024, €/MWh



(fonte MBSconsulting)

The average CO2 price in 2024 was lower than that recorded in 2023: 65 euro/ton in 2024 compared to 79 euro/ton in 2023. This also contributed to bringing down the electricity price in hours in which the marginal price was made by gas technology, which is subject to the CO2 charge.

CO2 spot €/ton



FUNCTIONAL UNBUNDLING – ARERA RESOLUTION NO. 296/2015/R/COM (TIUF).

After the approval from ARERA at the end of the trial period (ref. Resolution No. 213/2021/R/Com), the self-audit protocol was consolidated as an alternative protocol for the disengagement of the compliance manager function and compliance with functional unbundling restrictions.

The main innovative aspects and related benefits deriving from application of this procedure are listed below.

The ongoing evaluation of distribution service management practices, particularly regarding commercially sensitive data implemented in the self-audit procedure, according to ARERA, enhances the protection of interests covered by functional unbundling. Consequently, it allows the recognition of important formal exemptions to companies adopting the approved procedure (consider the restrictions on commercially sensitive information not managed through the IWS, or those relating to the submission of annual grid infrastructure development plans to ARERA).

At the same time, the role of the Compliance Officer (ILM) as auxiliary to the regulator in managing controls through a protocol certified by that regulator, means that the findings reported to the regulator in terms of consistency with the regulatory framework serve as a reliable indicator of compliance in terms of accountability activities of the DSO and the vertically integrated company. No professional audit/certification function can produce this result.

In this regard, the approval measure even states that ILM, the compliance manager, may be used by ARERA as part of the self-audit procedure to manage inspections on company premises in place of the ordinary Guardia di Finanza teams/ARERA officers.

This impact is amplified by the fact that, through a specific decision directed towards one of the companies adopting the self-audit procedure, ARERA confirmed that the same procedure may allow the use of enforcement procedures alternative to sanctioning-repressive procedures based on a collaborative approach. This means that operator reporting in the self-audit procedure of situations of possible conflict with the regulatory framework would not give rise to a dispute and the initiation of sanction proceedings, but rather to a collaborative process in which a remediation plan can be agreed with the offices of the regulator.

With specific regard to the intercompany contracts segment, note that the audit method developed by ILM as part of the self-audit procedure is the only one formally approved by the regulator thus far, and therefore guarantees a reliable assessment of compliance with the economic benchmarks envisaged in the TIUF (no professional affirmation can offer such a result). A further important impact on this front is that the cases managed by ILM, the results of which were assessed by ARERA, did not give rise to any reservations regarding the agreements on the basis of which the DSO relies on the organisational structures of other group companies, not applying similar procedures internally, which the TIUF excludes and on which in the past the Authority has challenged distributors it had inspected.

These are results that constitute an alternative platform for the regulated-regulator relationship with important benefits in terms of cost reduction and objectively appreciable regulatory risks.

BUSINESS SEGMENTS

SALE OF ELECTRICITY AND NATURAL GAS

The sector relating to the sale of methane gas recorded a slight decrease compared to the previous year with 419.5 million cubic metres sold at around 250,000 delivery points.

The volumes of electricity sold to end customers (including those served in the enhanced protection service market) amounted to approximately 3.2 TWh. The number of delivery points, approximately 473,000, is in line with that of the previous year, though with a different mix of customers. In fact, enhanced protection customers decreased while the number of free market customers increased.

ELECTRICITY PRODUCTION

REGULATORY AND TARIFF FRAMEWORK

THE REASSIGNMENT OF DIVERSION CONCESSIONS.

Leaving aside the various national and provincial regulations issued in recent years regarding hydroelectric concession deadlines, with Resolution No. 1658 of 18 October 2024, the Council of the Autonomous Province of Trento revised the deadline for major hydroelectric water diversion concessions. This was achieved through an administrative interpretation of Article 13, paragraph 6 of Italian Presidential Decree 670/1972, establishing, for each large diversion within the province, the "later date set by the State for similar large hydroelectric diversion concessions across Italy". This adjustment serves as a basis for updating and effectively replacing the existing concession deadlines. This process, for all the large diversion concessions held by the Company, as "former Enel", led to redefinition of the previous deadline of 31 December 2024 to a new deadline of 31 March 2029, the date envisaged in Italian Legislative Decree 79/99 ("Bersani Decree") for concessions currently held by Enel.

Although this is effectively an "extension of rights", it is worth specifying and clarifying that the new deadlines shall be considered "final", as the extension will be valid "only for the time necessary to finalise the reassignment procedures", which consequently are not halted by the measure but, rather, extended over a period of time which cannot, in any event, exceed the new deadlines established.

The new scenario, the effects of which are strictly local, i.e., limited to the Autonomous Provinces of Trento and Bolzano, provides a de facto solution to the stalemate situation that had blocked the launch of the planned procedure for "extension to 2029 through submission of a Business Plan" pursuant to Italian Provincial Law 16/2022.

As a result of postponement of the deadline, in 2024 the electricity production Company arranged depreciation remodelling of the assets subject to reversion free of charge.

At national level, the action of contracting authorities in 2024 was confused and uncoordinated. Despite the Regional regulations in force, national law envisaged and still envisages 31 December 2023 as the deadline, now passed, for the launch of the reassignment procedures. As far as we are aware, only the Lombardy and Abruzzo Region Administrations acted in compliance with the law, the first issuing Regional Council resolution on 18 December 2023 that launched tenders for the reassignment of two concessions with subsequent tenders in April 2024, and the second, issuing Regional Agency Decision for the Contracting Authority on 31 December 2023 that launched a tender for three concessions, later cancelled in March 2024 by the Regional Agency following announcement by the relevant Italian Ministry of a review of the entire regional regulatory system. Lastly, in 2024 there were no developments in the public-private partnership proposal submitted in 2023 by the outgoing concession holder in relation to 6 concessions in the Piedmont Region, despite the feasibility study for the proposal having assessed positively that same year.

CONCESSION FEES

During 2024, there were no circumstances or regulatory changes substantially affecting the structure and/or quantification of the concession fees and their impact in economic terms.

INITIATIVES AND INVESTMENTS

The investments made by the subsidiary Hydro Dolomiti Energia Srl, operating in production in 2024, totalled 11,328 thousand euro, mainly referring to plant efficiency maintenance activities (10,240 thousand euro), the adaptation of plants to legal requirements on environment and safety (848 thousand euro) and the purchase of new equipment (240 thousand euro); the investments for the most significant activities are described below.

S. Massenza plant: a total of 4,911 thousand euro was recognised, of which: 574 thousand euro to complete the replacement of dischargers, hydraulic systems and static exciter on unit 6; 2,603 thousand euro to commence works for the replacement of dischargers, hydraulic systems and static exciters on units 2 and 5; 561 thousand euro for the start of modernisation works on unit A0; 501 thousand euro to begin works to replace the rotor and static exciter on unit 5; 672 thousand euro for other minor works to be carried out on the plant in question.

Riva Del Garda plant: 973 thousand euro was recognised, of which 419 thousand euro for maintenance of the discharger on unit 0, 401 thousand euro for overhaul of the A1 rotary valve and 153 thousand euro relating to other minor works.

Cimego-Boazzo: a total of 788 thousand euro was recognised for this plant, mainly related to external painting of the penstock.

Nembia plant: 506 thousand euro was recognised, of which 404 thousand euro relating to extraordinary maintenance on the P2 pump.

ABC Canal (Biffis): a total of 584 thousand euro was recorded, of which 331 thousand euro for replacement of the sluice gate intake opening actuators.

Carzano plant: 234 thousand euro was recognised for the automation and implementation of emergency reservoir controls.

Cogolo-Gaggio plant: 183 thousand euro was recognised for replacement of the T2 transformer.

VOLUMES AND OPERATING EFFICIENCY

Most of the hydroelectric generating plants are owned by the companies HDE (a 100% investee), DEE (51%), SFE (50%) and Primiero Energia (19.94%). In addition to these equity investments, Dolomiti Energia Holding directly owns the hydroelectric plants of S. Colombano (50% investment), Basso Leno, Chizzola, Grottole, Novaline, Tesino and 3 power-driven cogeneration plants in Rovereto as well as the combined cycle turbogas plant of Ponti sul Mincio (5% investment). Three photovoltaic plants are also in operation in Rovereto and Trento, with a total nominal capacity of 80 kWp and monitored in terms of operations and productivity.

The Group's total energy output in 2024 was 4,928 GWh (3,137 in 2023), of which 4,878 GWh hydroelectric.

ELECTRICITY DISTRIBUTION

REGULATORY AND TARIFF FRAMEWORK

In 2024, the reference regulations of the electricity distribution sector were characterised in particular by the implementation of Resolution 163/2023/R/com. It should be remembered that EU, national and provincial rules govern the sector, given the legal responsibility attributed to the Trento Autonomous Province (PAT).

At national level, the sector is regulated by Italian Legislative Decree No. 79 of 16 March 1999 ("Bersani Decree"), implementing Directive 96/92/EC, which requires that distribution companies in operation at the date of entry into force of its provisions continue to provide the service as a monopoly until 31 December 2030, based on the concession issued by the Italian Ministry. Subsequently, the award must be via tender.

In the provincial context, following the transfer of energy-related functions from the State to the Autonomous Provinces from 1 January 2000, the structure of electricity distribution was regulated through the distribution plan approved by the provincial government on 27 September 2013. This Plan identified a single area for the province and dictated the methods for gradual reorganisation of the service, in which SET Distribuzione plays the role of aggregating entity.

This basic regulatory context, substantially unaltered, must however be supplemented by a series of measures of a lower ranked regulatory hierarchy, but not for this without mandatory and operational significance and scope for companies in the sector. This refers, in particular, to the measures adopted by ARERA in its areas of responsibility and which also form an integral and substantial part of the reference regulatory framework.

In 2023, a number of important measures were first opened to consultation and then issued, determining new rules for the 2024-2027 regulatory period.

TARIFF REGULATION OF ELECTRICITY TRANSMISSION, DISTRIBUTION AND METERING SERVICES

With Resolution 163/2023/R/com the Authority approved the general regulation principles for expenditure and service objectives for the period 2024-2031 (TIROSS 2024-2031): approval of Part I, containing the common provisions, and Part II, dedicated to the ROSS-based model. With Resolution 497/2023/R/com, it approved the application criteria for natural gas transport services and the transmission, distribution and metering of electricity.

With Resolution 616/2023/R/eel, the Authority defined the criteria for the new tariff period for electricity distribution and metering (2024-2027).

With Resolution 556/2023/R/com, the Authority updated the baseline parameters and set the rate of return on invested capital (WACC) at 6.0% for electricity distribution and metering activities for 2024.

Resolutions 77/2024/R/eel and 206/2024/R/eel respectively approved the final reference tariffs for 2023 and the provisional reference tariffs for 2024.

With Resolution 513/2024/R/com, the Authority updated the baseline parameters and set the rate of return on invested capital (WACC) at 5.60% for electricity distribution and metering activities for 2025.

EXTENSION OF CONCESSIONS

With reference to the medium-term scenarios, note that the electricity distribution concession is due to expire at the end of 2030, with launch of the tender procedures forecast by the end of 2025.

However, at the end of 2024 an article was included in the Italian Budget Law that envisages an extension option for current concession holders by up to a maximum 20 years against their submission of extraordinary long-term investment plans, with the explicit aim of improving the security, reliability and efficiency of the distribution network as a critical infrastructure, achieving the decarbonisation targets set in international agreements and by the European Union through 2050, as well as ensuring urgent action to strengthen the defence and security of distribution infrastructures.

At national level, this plan must be implemented by means of a specific decree of the Italian Ministry of Environment and Energy Security, while at local level it must be implemented by the competent provincial structures.

INITIATIVES AND INVESTMENTS

During the year, work continued on substations and primary systems and networks compliant with the provisions of the five-year plan presented to ARERA. This plan, with works that are targeted and already accurately identified, contemplates a time horizon up to 2027 and forms the reference basis for communications envisaged by the Authority within the scope of the integrated regulations on unbundling.

Overall, investments made in 2024 amounted to 56.0 million euro, a significant increase compared to the previous year.

TECHNICAL INVESTMENTS DUE TO UTILITY REQUEST

The interventions on the MV and LV grid to satisfy the connection requests of utilities increased compared to 2023 for a total of approximately 17.8 million euro, to adapt the grids to the continuous growth of producer users and to meet the significant growth in power required by medium-voltage users.

TECHNICAL INITIATIVE INVESTMENTS

Despite a strong commitment to investments in utility requests, in 2024 Set Distribuzione was able to increase its investments in network enhancement, service improvement, and resilience, totalling approximately 10.97 million euro for the year.

Work continued on interventions that guarantee the maximum return in terms of improving the quality of the service provided to users, wherever possible adopting low-environmental impact solutions. The plan to reduce the number of overhead lines in wooded sections continued, as did the technological renewal of primary and secondary substations.

In 2024, construction was completed on the new primary substation of Cirè di Pergine, expected to be connected to the Terna grid at 132 kV during 2025. The major construction sites for the primary substations of Grigno and Campitello di Fassa were opened, with works due to begin by the end of 2025.

The installation of new control panels with fibre optic connections continued in the primary substations, preparatory to dissemination of the new automated fault detection techniques on the MV grid.

During 2024, the first two lines were activated using the SHA (Self Healing Automation) approach, which involves automatic isolation of the faulty section with the counter-fuelling of the sound part of the grid; this approach makes it possible to further reduce the impact of interruptions on the Duration and Number indicators. For 2025, the activation of an additional 10 lines is planned.

On the medium-voltage grid, the main investments carried out in 2024 by the distribution company can be summarised as follows:

- laying of new single-core MV underground cables to ensure a second power supply to some locations and to replace overhead lines with bare conductors; the use of single-core MV cables significantly reduces the number of MV junctions on the line, improving Service Quality;
- replacement of lines with bare conductors in wooded areas with insulated overhead cable lines, fitted with heat sinks to reduce damage to the supports in the event of falling plants;
- requalification of numerous obsolete secondary substations, fitted with motorised protected switchboards or with switches, in order to improve the continuity of the service and the selectivity of faults on the medium-voltage grid and allow it to be controlled remotely from the Integrated Remote Control Centre of Trento;
- installation of MV and LV reactance in secondary substations

The LV grid was also affected by major enhancement works due to critical issues caused to the grids, following the significant growth of widespread production, photovoltaic in particular:

- new LV underground cable outlets from secondary substations
- use of new materials and equipment (LV copper cables, LV-TC switches, feeder pillars, LV grid voltage regulators, new thermovision devices to be applied to smartphones to intercept hot spots on LV connections, etc.)
- reconstruction and enhancement of existing LV grid
- monitoring of voltage critical issues.

2G METER PROJECT

As envisaged by the PMS2 Plan agreed with ARERA, the campaign for the mass replacement of electricity meters began in September 2022, with the planned transition to second-generation meters by the middle of 2025 for all users connected to the SET Distribuzione grid.

The mass replacement involves three external companies, selected via specific tender, and the Operating Units of SET Distribuzione through a replacement plan which, for 2024, concerned 120 Municipalities throughout the Trentino area. At the end of 2024, 328,469 second-generation meters were installed on withdrawal points and 20,873 on production.

REDUCTION OF ENVIRONMENTAL IMPACT

During the year, action continued to reduce environmental impact by overhauling existing plants and using the best solutions for the construction of new plants:

- undergrounding of overhead power lines, also in synergy with other excavations carried out in the area by other operators or Municipalities;
- reduction in the number of pole-mounted transformers replaced by the new masonry substations;
- use of transformers equipped with insulating oil of plant origin;
- use of medium-voltage switches without sulphur hexafluoride gas.

TECHNOLOGICAL DEVELOPMENT

The push to electrify consumption and increase production from renewable sources calls for a need to manage the electricity grid in an increasingly advanced way, improving the capacity to adopt the best grid structure using new calculation tools and, for the future, also using distributed flexibility resources where possible. From this perspective, the plan for technological development of the protection and control equipment adopted in the primary and secondary substations continues (reaching 82% at the end of 2024), as well as the development of communication channels between the central systems and the equipment installed along the medium- and low-voltage grid.

The installation plan for the new advanced supervision system continues in the primary substations, increasing the control of strategic assets as well as the level of safety of personnel working at the plant.

In 2024, a new fault selection method was activated on a number of medium-voltage lines with the aim of further improving the quality of service to MV and LV users and the indicators envisaged by the Authority.

A project was launched during 2024 to implement a new medium-voltage grid simulation system that will improve grid planning and operation, providing a more resilient, secure and efficient power supply to its users.

During the year, the supply of drones and the certification of an adequate number of pilots were further strengthened. These increased the percentage of medium-voltage overhead lines inspected, reducing the need for inspections on foot.

VOLUMES AND OPERATING EFFICIENCY

Electricity grid and distribution management is provided by SET Distribuzione in approximately 160 Trentino Municipalities.

The total electricity distributed was 2,491 GWh (2,562 GWh in 2023).

Additional information:

Electricity distribution		2024	2023
Medium voltage grids	km	3,635	3,611
Low voltage grids	km	9,295	9,198
Total customers connected to the grid	No.	345,563	343,935

QUALITY OF THE SERVICE PROVIDED

TECHNICAL QUALITY

In 2024, indicators related to the number and duration of outages showed a slightly improving trend compared to the previous year, driven by grid investments, maintenance, and the effectiveness of installed automation systems.

The 2023 results, officially published with resolution 584/2024/R/eel, show once again that SET Distribuzione is among the best companies in the electricity distribution sector, allowing the Company, as recognition for the excellent results achieved, to obtain a bonus of 1.88 million euro.

With Resolution 617/2023/R/eel, the Authority introduced a new method for defining the starting levels of the indicators for Duration D1 and for Number N1.

For regulation of the duration of long interruptions without warning, for 2024 and 2025 and for each geographic area, the starting level is equal to the arithmetic mean of the actual levels of indicator D1 in the years 2020-2023 for the same geographic area, rounded to two decimal places. For regulation of the number of long and short interruptions without warning, for 2024 and 2025 and for each geographic area, the starting level is equal to the arithmetic mean of the actual levels of indicator N1 in the years 2020-2023 for the same geographic area, rounded to three decimal places.

Even given the new trends, in each of the areas of competence (high, medium and low concentration of users), the average duration of the outages in 2024 was better than the targets the Authority assigned to SET Distribuzione (high concentration: standard 9.24 minutes - result 4.63 minutes; medium concentration: standard 13.85 minutes - result 11.77 minutes; low concentration: standard 20.83 minutes - result 18.00 minutes).

With regard to the number of outages, in each area, the results were better than the standard (high concentration: standard 0.340 - result 0.12; medium concentration: standard 0.703 - result 0.63; low concentration: standard 1.313 - result 1.310).

COMMERCIAL QUALITY

With the gradual decrease in tax benefits governed by Italian Decree Law No. 34/2020 ("110% superbonus"), requests for services on the electricity grid associated with energy efficiency measures such as plant transfers and especially on requests for connection to the photovoltaic system network decreased significantly. Compared to 2023, there was a 49% decrease with a final figure of 2,873 activations of photovoltaic systems, in any event very high compared to the period prior to the building bonuses (+380%).

New LV utility connections were down, while requests for MV connections rose, with a significant increase in connection power required (increase of 31% compared to 2023). These requests resulted in a total of 2,518 new connections to the grid, corresponding to 28.72 MW of newly connected power.

NATURAL GAS DISTRIBUTION

REGULATORY AND TARIFF FRAMEWORK

During 2024, actions by the Italian Regulatory Authority for Energy, Networks and Environment (ARERA), in addition to the guidelines and objectives already established in the Strategic Framework of the Authority for the four-year period 2022-2025, mainly focused on the adoption of preparatory measures for conclusion of the protection system in the electricity market. With regard to the gas distribution sector, the activities were characterised by the ARERA procedure for the possible recognition to distribution companies of the effects deriving from the ISTAT review on the time series of data used to calculate the rate of change of the gross fixed capital formation deflator (GFCF). This procedure was concluded at the beginning of May with redefinition of the rate of change of the GFCF. In addition, activities continued in relation to the numerous disputes brought by various operators against Resolution 570/2019/R/gas (concerning the 2020-2025 tariff regulation). These disputes required the Authority's offices to take measures that first redefined the reference tariffs for the 2020-2022 period, considering the correction of a calculation error identified by the Regional Administrative Court regarding the recognition of operating expenses and the X-factor calculation. Subsequently, a procedure began to implement the rulings of the Council of State concerning the calculation of distribution service operating expenses for the entire regulatory period 2020-2025.

At the end of April, proceedings were also initiated to implement the provisions of Art. 22, Italian Decree Law 69/23 ("Salva infrazioni" decree law), regarding tariff recognition of the investments made in specific areas of the country (Municipalities in climate zone F, like most of the Trentino mountain municipalities).

In the period under review, ARERA issued several measures relevant to the Group in the gas sector. These include tariff measures, distribution service quality, regulation of information flows, service access and gas settlement, as well as disaster subsidies. ARERA also covered the regulation of tenders for assignment of the gas distribution service, connection of biomethane plants to the natural gas networks, innovative pilot projects and controls on operators. Regarding gas distribution and metering tariffs, in March 2024, ARERA initiated a procedure to recognize the effects of the ISTAT review of the time series data used to calculate the rate of change of the gross fixed capital formation deflator (GFCF). After consultation, a GFCF rate of change of 5.3% was established to calculate the 2024 tariffs, with a possible extension to 2025. ARERA redefined the gas reference tariffs for the period 2017-2022, corrected calculation errors on operating expenses recognised and on the X-factor, following appeals against Resolution 570/2019/R/gas. The Council of State issued rulings on these appeals, and ARERA initiated proceedings to comply with these rulings.

In 2024, distribution and metering tariffs continued according to the principles set forth in Resolution 570/2019/R/gas for the fifth regulatory period (2020-2025), divided into two half-periods of three years each. The tariffs are based on the annual updating of net invested capital (RAB), taking into account the investments made up to the previous year. The invested capital of the companies is divided into local and centralised, with parametric recognition for the centralised capital and the costs of remote management/remote reading systems. For investments in electronic meters, the recognised cost is a weighted average between the actual cost and the standard set by the Authority. The rate of remuneration on net invested capital (WACC) for 2024 was updated to 6.5%. Resolution 570/2019/R/gas set the initial levels of operating costs and X-factors for the regulatory period. Operating costs are updated annually with inflation and the X-factor, differentiated by company size. A cap on the recognition of investments is confirmed for certain start-up locations, with changes assessed for particular climate areas and methanisation programmes.

INITIATIVES AND INVESTMENTS

The investments, in line with recent years, were allocated mainly to the modernisation of existing infrastructures (including extensions in already served Municipalities) and to the completion of previously planned works.

Investments made in the gas sector in 2024 totalled 15.5 million euro (16.5 million euro in 2023), and the main interventions involved:

- extraordinary maintenance of existing plants and distribution networks;
- replacement of traditional meters with electronic ones;
- the extension of the pipelines in the managed municipalities.

During 2024, Novareti continued its methanisation activities for the municipalities of Canazei and Cavalese, respectively, the concession for which was assigned through a public project finance initiative.

On the RE.MI. plants, the revamping and technological upgrading of the metering process, subject to potential heavy penalties from 2025, were consolidated through significant investments.

In 2024, the ISO 9001:2018, ISO 14001:2018 and ISO 45001:2018 certifications were consolidated in relation to the quality management, environmental and occupational health and safety management systems regarding the management, construction, operation and maintenance of natural gas distribution plants and networks.

METERING

The installation of the new electronic meters, envisaged in Resolution 631/2013/R/gas, reduced the manual meter reading of redelivery points using traditional meters. As at 31 December 2024, 93% of the points managed had an electronic meter.

Resolution 636/2023/R/gas, in force since 1 January 2024, introduced new obligations for the installation of additional smart meters where traditional meters are inaccessible or not read at least once a year. The obligation applies up to a maximum of 5%, in addition to the 85% already envisaged for G4-G6 meters. If the installation rate of G4-G6 smart meters exceeds 90%, the distributor is no longer required to comply with the RQDG obligations.

Resolution 60/2023/R/com establishes the data that distribution companies must transmit for calculation of the CIND component, which compensates the costs of indemnities for failure to read G4 and G6 smart meters. An integration to the data already collected is envisaged, with an annual report to the CSEA, broken down by annual consumption bands.

VOLUMES AND OPERATING EFFICIENCY

Distribution is carried out in 88 municipalities in the Trento province, Valle dell'Adige, Valsugana and Tesino, Valle di Non, Valle dei Laghi, the upland of Paganella, the valleys of Cembra, Fiemme and Fassa and the uplands of Folgaria, Lavarone and Luserna; the cogeneration and district heating plant is fuelled in the municipality of Cavalese, where the high pressure pipeline passes. Distribution is also carried out in 2 municipalities outside the Trento province (Brentino Belluno and Salorno).

Gas distributed during the year totalled 283.8 million m3 (270.9 million m3 in 2023).

Natural gas		2024	2023
Length of the network	km	2.748	2.728
Total utility contracts	No.	168.589	168.684

COMMERCIAL QUALITY

The level of commercial quality is measured by means of a general corporate index that represents the percentage of services performed within the standard times prescribed by ARERA, in particular of the services subject to specific levels of quality to be guaranteed to the requesting party for which the automatic indemnities rules apply.

In 2024, the general index of the services performed within the standard times, for quality of service parameter purposes, amounted to 99.77%.

AREA TENDERS

TRENTINO AREA

At the end of 2023, the Autonomous Province of Trento published the tender for reassignment of the natural gas distribution concessions in municipalities of the Single Provincial Area of Trento ("ATEM"). The tender concerns concession of the public natural gas distribution and metering service in all the Trento area Municipalities and the Municipality of Bagolino in the Province of Brescia, for a total of 167 Municipalities, all forming part of the Trento ATEM. On publication of this tender and the related documents, the Autonomous Province of Trento officially launched the tender procedure to identify the economic operator to which the public natural gas distribution service for Municipalities in the Trento ATEM will be entrusted for the next twelve years. The final deadline for the submission of bids was 19 July 2024 and, other than Novareti, the only company that submitted a bid was Italgas.

Participation in the tender is of strategic interest to Novareti S.p.A., the largest operator of the service in the Trento ATEM. The award of this area tender, expected in spring-summer of 2025, will represent a particularly important moment for the company, which could be confirmed as the sole area operator or, alternatively, review its role in the natural gas distribution sector. The future evolution of Novareti management will therefore depend on the results of the tender procedure and on the business strategies to be adopted as a consequence of the results achieved.

OTHER AREAS

With regard to the possible participation in tenders outside the province, in 2022 Novareti had expressed its interest in participating in the negotiated procedure launched by ATAC Civitanova SpA for the selection of a partner and targeting joint participation in the gas tender to be called in the Macerata 2 nord-est ATEM. Macerata 2 nord-est ATEM has a total of 55,200 redelivery points with 677 km of network. ATAC Civitanova SpA is currently present in this ATEM with 22,131 redelivery points and approximately 187 km of network, covering 34% of the ATEM.

After the procedure, Novareti was selected as partner by ATAC Civitanova SpA. Consequently, considering that ATAC Civitanova SpA is the outgoing operator with the largest share of redelivery points and kilometres of grid under management, being selected as partner clearly represents an excellent opportunity in view of the future tender for the Macerata 2 nord-est ATEM.

On 25 January 2023, the Partnership agreements and the RTI Agreement were signed, along with the reimbursement of selection costs (in the order of 85% as per Article 2 of the Invitation Letter) and the establishment of the Steering Committee according to Art. 4.2 of the RTI agreement for the joint participation in the gas tender that will be launched in the Macerata 2 nord-est ATEM.

As at 31 December 2024, no tender procedure had been launched for the ATEM in question.

As regards the Trento area, with a publication date of 29 December, under number [AT122784] the Provincial Agency for Contracts and Tenders published the "Open tender, above the community threshold, for award of the natural gas distribution service in the Single Provincial Area of Trento", with deadline for submission of bids set at 12:00 noon on 19 July 2024.

The subsidiary Novareti submitted a bid by the deadline and the economic-technical audits by the contracting authority are currently underway. To date, the result of the competitive procedure is still pending, but should be awarded in 2025.

The Trento contracting authority was the only one in Italy, among approximately 188 areas, to have launched a new tender procedure for its strategic asset in 2024.

COGENERATION AND DISTRICT HEATING

REGULATORY AND TARIFF FRAMEWORK

With regard to obligations dictated by the Regulatory Authority for Energy, Networks and Environment (ARERA), note the following main aspects for 2024:

a) On 23 July 2023, ARERA issued Resolution No. 346/2023/R/TLR, "Provisions on the technical quality of district heating and cooling services (RQTT)", in force from 1 January 2024. As a result, the relative internal procedures PG-COG-11/12/13/14/15/16 were updated.

b) In light of the results of the fact-finding investigation ARERA 80/2022/R/tlr, launched on 1 March 2022, with report 568/2022/I/tlr of 15 November 2022, the Authority brought the opportunity of introducing a cost reflective regulation of district heating service prices to the attention of the Parliament and the Italian Government, and on 3 August 2023 issued Consultation Paper No. 388/2023/R/TLR, "Guidelines for definition of the tariff method for the district heating service", with request for opinions from stakeholders.

c) On 28 December 2023, ARERA issued Resolution No. 638/2023/R/TLR), "Approval of the district heating tariff method for the transitional period (MTL-T)", approval of the "District heating tariff method for the transitional period 1 January 2024 – 31 December 2024 (MTL-T)", which imposes a constraint on revenues for the district heating service determined on the basis of the cost avoided for the end customer, also envisaging a safeguarding clause to guarantee minimum profitability for operators. Note that the application of the new tariff method would imply a decrease in revenues from the sale of thermal energy of around 20% compared to the pre-measure situation. On the other hand, application of the safeguarding clause makes it possible to limit the decrease in revenues to 10%. Consequently, this criterion was adopted, though without formalising the decision until the questions and requests for clarification sent to ARERA through trade associations are answered.
On 27 December 2024, ARERA issued Resolution 597/2924/R/TLR, which extends the deadline for concluding the procedure of Resolution 638/2023/R/TLR to 31 December 2025.

d) On 20 December 2023, the Italian Ministry of the Environment and Energy Safety put the "OIERT" decree up for public consultation, to define the methods by which public and private companies selling thermal energy to third parties in the form of heat for heating and cooling, in quantities exceeding 500 TOE per year, ensure that a portion of the energy sold is renewable, in application of Italian Legislative Decree No. 199 of 8 November 2021.
The decree aims to implement the EU RED III directives on decarbonisation and safety of the energy system, providing for an indicative increase in the renewable share for the air conditioning of environments up to a value close to 48% by 2030. For the district heating and cooling sector, this results into the inclusion of incremental shares of renewable energy of 1.00% in 2024, 2.00% in 2025, 3.00% in 2026, 4.50% in 2027, 6.50% in 2028, 8.00% in 2029 and 9.00% in 2030, respectively, up to a total of 34% of the energy injected into the network in 2030.
The 2025 Milleproroghe Decree confirmed and postponed the entry into force of obligations envisaged in Italian Legislative Decree 199/2021 to 1 January 2025.

FUEL PROCUREMENT

As regards natural gas supply for the cogeneration plants and thermal energy production boilers at all the Novareti plants, in 2024 Dolomiti Energia supplied it with determination of the commodity price, consisting of a base linked to the monthly average of the PSV-DA index plus a variable spread of 6 euro cents per Stm^3, reducing to 3.95 euro cents in the last quarter of 2024.

INITIATIVES AND INVESTMENTS

On 13 September 2024, a preliminary term sheet was signed with Suanfarma for the recovery of waste heat from the neighbouring pharmaceutical company, using part of the steam network currently in disuse. On 21 February 2025, the intentions were formalized with the signing of a final 7-year framework agreement, which includes Suanfarma's commitment to guarantee Novareti the option to withdraw a quantity of thermal energy—initially in the form of hot water produced through a heat pump for heat recovery from the cooling process, and in the future also from cogeneration—both operated by Suanfarma at Corso Verona 165, Rovereto (TN). The minimum guaranteed volume is at least 500 MWht/year, which Novareti, in turn, has committed to withdraw. Suanfarma has also committed to providing an additional quantity of energy equal to 1,500 MWh/year from 2026 for a total minimum volume of 2,000 MWht/year, therefore Novareti committing, again from 2026, to withdraw a total minimum quantity of energy equal to 2,000 MWh/year depending on the thermal demand of utilities on the district heating network managed in the Municipality of Rovereto.

With regard to the option of taking action aimed at the integration of renewable sources for the production of heat to be fed into the Rovereto district heating network, Novareti participated in the European Tender LIFE-2024-CET-DHC: Supporting district heating and cooling, submitting a project proposal with Fondazione Bruno Kessler and RINA Consulting SpA on 19 September 2024.

At the headquarters, revamping was carried out on the thermal plant located at the office in Via Manzoni, which involved modification of the boiler burner regulator mechanisms, with the control of oxygen to the chimney. The works also included replacement of the now obsolete electrical panels (1985). The activity was necessary to fulfil the provisions of the Atmospheric Emissions Authorisation issued by the APT - Authorisations and Controls Department.

VOLUMES AND OPERATING EFFICIENCY

Heat distribution via the district heating network was carried out in the Rovereto municipal area and in the "Le Albere" district in Trento, where refrigerated water for air conditioning was also distributed.

In 2024, the following quantities of energy were injected into the network:

- 76.76 GWh of heating and cooling
- 41.66 GWh of electricity.

The Industrial zone cogeneration plant in Rovereto, also subject to Emission Trading System obligations, emitted 10,620 t of CO_2, 9,606 of which payable at a cost of 65.2 euro/t.

INTERNAL USER NETWORK MANAGEMENT

As part of activities related to the industrial zone cogeneration plant in Rovereto, there is also management of the Internal User Network (RIU) of Rovereto, which provides an MV connection for the Suanfarma plant and facility to the national grid operated by Terna, by means of a 132/20 kV transformer.

The electricity sale contract signed in 2019 with Suanfarma expired on 31 December 2024 and was extended to 31 March 2025, with the aim of discussing and reviewing the existing arrangements against a reduced need for withdrawal by the Suanfarma facility. Negotiations are still ongoing as at the reporting date.

The RIU is regulated by ARERA as part of the closed distribution systems.

During 2024, Suanfarma Italia S.p.A. installed a new electricity storage system with a storage capacity of 406.9 KWh, with the consequent commitment of Novareti staff, in the company's role of electricity grid operator, to prepare and verify all authorisation process documentation for the purpose of connection and operational start-up of the new production plant. Authorisation activities are pending completion.

WATER CYCLE (WATER SUPPLY SYSTEM AND SEWERAGE)

REGULATORY AND TARIFF FRAMEWORK

Note that, following the effects of the popular referendum on the regulation of local public services and consequent indications received from Municipalities where the service is currently provided, water sector activities are destined to exit the scope of Novareti activities. In this regard, in 2024, there were no particular new developments and no significant steps forward were made.

We would like to emphasise that activities of the Company managing the water cycle in any event continue in a regular manner, without being subject to particular conditions in its operating and investment decisions. The only element of normal prudence involves the preparation of multi-year investment plans in the water sector, shared with the main Municipalities receiving the water service, in order to prevent any possible future distortion.

INITIATIVES AND INVESTMENTS

In 2024, work continued to enhance the water supply structures, consistent with the multi-year business plan issued and presented to the municipal administrations in 2018.

Investments in the sector in 2024, even in the presence of a not fully defined regulatory framework and of the uncertain outlook for the Company, totalled 5.9 million euro (8.6 million euro in 2023).

As regards operations in the Municipality of Trento, replacement of the water supply feeder pipes continued with the operational start-up of a new photovoltaic electricity production plant serving various sites with a view to limiting water pumping costs.

The construction of new water districts continued which, combined with the new consumption analysis and monitoring system, will allow rapid reporting of new water leaks, guiding the work of the leak detection teams.

In the Municipality of Rovereto, regular network maintenance for the water supply service continued, while the implementation of several water districts began following the allocation of NRRP funds, in which Novareti participated in partnership with the Municipality of Rovereto.

Novareti also participated in two further PNIISI tenders, again with the Municipality of Rovereto, one for completion of the interconnection between Trento and Rovereto and one for the construction of 4 new strategic wells serving the city for which technical assessments were positive but funding has not yet been received.

METERING

Mass replacement of meters continued in 2024, while the survey and scheduling phases of the replacements continue in parallel. The set of meters is being replaced with smart meters that will allow remote reading by means of operator drive-by. At the same time, all connections will be overhauled. To date, more than 26,500 smart meters have been installed, while their remote reading in drive-by mode with automatic reading capture has been well calibrated and allows the collection of meter readings with a very high success rate.

VOLUMES AND OPERATING EFFICIENCY

The service is provided in 9 Trentino municipalities (approximately 200,000 residents), essentially located in the Adige Valley.

The water quantities supplied to the grid totalled 25.2 million m3 (26.6 million in 2023).

Additional information:

Water cycle		2024	2023
Length of the network	km	1,466*	1,468*
Total utility contracts	No.	78,313	77,659

(*) the figure includes utility connections.

WASTE MANAGEMENT

REGULATORY FRAMEWORK

The Economic and Financial Plans for the period 2022-25 were prepared on the basis of the MTR-2, the calculation method introduced by ARERA with various defining resolutions, and were delivered to the Rovereto Municipal Administration on 27 January 2021 and to the Trento Municipal Administration on 3 February 2021.

On 25 October 2022, ARERA approved the five-year Economic and Financial Plan for Trento (second approval in Italy), whilst that for Rovereto was approved on 17 January 2023 (twelfth approval in Italy). To date, ARERA has approved only 18 Economic and Financial Plans in Italy.

Also note the latest ARERA resolution No. 15/2022/R/RIF of 18 January 2022 entitled "Regulation of the quality of the municipal waste management service", which defines the quality standards relating to user management: from service activation to billing management; from the response to requests for information/complaints to the contact methods; as well as the provisions regarding the obligation of continuity and regularity of the waste collection and transport services and the street sweeping and cleaning service, the latter aspect of course having a much greater impact on the Company responsible for waste management. For example, Art. 35.2 of attachment A to the aforementioned resolution requires the preparation of a "Collection and transport plan" from which it is possible to deduce, for each road/street, the scheduled date and time slot for waste collection. Similarly and of greater impact for the waste management company will be compliance with Article 42 "obligations regarding the continuity and regularity of the street sweeping and cleaning service", which requires a plan of these activities to be prepared, indicating the date and time slot for providing the services, with the obligation to recover any services not promptly performed within 24 hours.

In the last few months of 2023, the Municipal Administrations, at the proposal of Dolomiti Ambiente, approved level 1 of the quality of collection and sweeping services, in line with the vast majority of Italian operators in the sector.

INITIATIVES AND INVESTMENTS

The activities of the waste management company in 2024 concerned:

- municipal waste collection, including street sweeping and washing and the cleaning of public areas in the municipalities of Trento, Rovereto and Vallagarina;
- collection of special waste.

The investments made in municipal sanitation services in 2024 totalled 4.5 million euro (4.6 million euro in 2023).

Particularly significant were the investments related to services for the Vallagarina Community, totalling 3.48 million euro; of which 900 thousand euro for utility equipment and 1.3 million euro for vehicles, mainly through the surrender of previously leased vehicles and the purchase of 2 loaders.

As regards the Trento area, the investment of over 700 thousand euro consists of 1 street cleaner for sweeping enhancement and 2 additional loaders.

VOLUMES AND OPERATING EFFICIENCY

In 2024, 68,827 tons were collected (66,596 tons in 2023), 175,873 utility contracts were managed, also considering appurtenances (194,749 in 2023) and 117,405 taxpayers were served (120,079 in 2023).

It is also worth noting the decrease in the production of mixed waste in Rovereto in 2023, remaining steady in 2024, coinciding with the start of the quantity-based tariff, which is certainly benefiting Rovereto in terms of lowering disposal costs.

In 2024, separate waste collection in the municipality of Trento reached 83.3% (83.5% in 2023), 82.5% in the municipality of Rovereto (82.3% in 2023) and 74.9% in the Vallagarina District (74.3% in 2023).

OTHER BUSINESS ACTIVITIES

The Dolomiti Energia Holding laboratory carries out chemical and microbiological testing, quality control of water intended for human consumption and soil and waste analysis. It serves the Dolomiti Energia Group companies and numerous Trentino municipalities, offering necessary support by carrying out internal controls and monitoring of water intended for human consumption, guaranteeing the distribution of healthy, clean water. It is also a reference point for the environmental controls of many entities, professionals and companies that today make up a significant portion of its clientèle.

ACCREDIA certifies its competence, independence and impartiality according to the international standard UNI CEI EN ISO/IEC 17025:2018, which requires compliance with specific and stringent quality and organisational standards.

The activities are thus also guaranteed by an external control body and monitoring covers the quality system in place, procedures, quality of analytical data, sampling and customer focus.

Thanks to advanced scientific instruments and the expertise of its staff, the laboratory is able to promptly and professionally respond to every customer request.

Overall, during the year 14,092 samples were examined (13,282 in 2023), of which 54% (55% in 2023) for third parties.

HUMAN RESOURCES

As at 31 December 2024 the Group workforce numbered 1,634 (1,544 in 2023). There was a total increase of 90 employees during the year compared to 2023.

	2024	2023	change
Dolomiti Energia Holding	266	237	29
Dolomiti Ambiente	367	342	25
Dolomiti Energia	218	208	10
Novareti	219	220	(1)
Dolomiti Energia Solutions	23	18	5
SET Distribuzione	282	282	-
Gasdotti Alpini	3	3	-
Dolomiti Edison Energy	29	30	(1)
Hydro Dolomiti Energia	187	179	8
Dolomiti Energia Trading	23	25	(2)
EPQ	17		17
TOTAL	1,634	1,544	90

Comparison of the situation of the Group 2024–2023 by grade

	executives	managers	employees	manual workers	total
Situation as at 31/12/2024	21	79	876	658	1.634
Situation as at 31/12/2023	19	65	819	641	1.544
CHANGE 2024 VS. 2023	2	14	57	17	90

Training: the Dolomiti Energia Group is committed to the training and development of its people, at all levels and in the various fields of competence.

People are a key asset for the Group in every interaction with its internal and/or external customers, in every small detail, day in, day out.

With the support of the Human Resources & Business Partner Department, the Dolomiti Energia Group is committed to building fair processes aimed at attracting and retaining the best resources, developing their potential and guaranteeing vertical and/or horizontal professional and salary growth paths.

The focus on the personal and professional development of people has gained increasing interest for both employers and department managers, with Human Resources sponsoring more and more. Attention to people's aptitudes is enhanced by the Assessment processes introduced in the Group, as is the acquisition of in-house expertise in the management of these variables.

Training projects involve the entire company population through annual, long-term training and development plans. From 2023, as part of the Training Needs Analysis process, we have provided Managers with the necessary tools to reason together about areas of improvement, strengths and upcoming strategic goals, and consequently to analyse what impact to expect on people's skills.

We always renew skills, one of the values of the Dolomiti Energia Group. Competence is never enough: we challenge ourselves by always raising the bar, to be as dynamic as our markets.

Training – in person, synchronous online or e-learning – focuses on the four clusters identified when defining the training catalogue: Health, Security & Environment, Technical Skills, Digital Skills and Life Skills.

The Dolomiti Energia Group's commitment to ensure high standards in the performance of its work and to comply with regulatory obligations has led to setting up a large number of training hours on Health, Safety and the Environment and on the development and maintenance of technical skills in the sector. Respect for the individual as such and for their health and safety in the working environment are fundamental. Attention to environmental protection and the working environment has recently been gaining increasing importance.

The development and maintenance of technical area skills is a prerequisite for the Group's people in order to perform their work more and more excellently and to improve processes. Failure to develop role skills results in a missed opportunity for both the Group and the individual. The same applies to digital skills, which are increasingly important in today's labour market.

Equally important is the focus on personal and professional development, which is nurtured through training courses with a focus on soft skills. Attention to these skills makes it possible to raise managerial standards for the present and the future, accompanying the culture of care in people and enabling the development of those skills necessary to maintain business continuity in an increasingly volatile and uncertain environment.

Projects for the acquisition and growth of both technical and managerial skills are constructed in order to develop careers and potential. These paths aim to accompany resources in the growth of their roles and responsibilities. The professional development of the role also includes consistent growth in salary and contractual position.

The Dolomiti Energia Group is deeply committed to investing in the training and development of its people. The Group provided a total of 70,981 training hours for all personnel (companies' employees, temporary workers, interns/trainees, directors), an increase of 38% compared to 2023.

44% of the training hours provided concerned Health, Safety & Environment, 31% the development and maintenance of sector technical skills, 10% the enhancement of digital skills and 15% the development of managerial skills, with the aim of accompanying career growth and responsibility.

105% of Group personnel (compared to the total number as at 31 December 2024) attended at least 1 training course in 2024.

In 2024, the Dolomiti Energia Group invested significant internal and external economic resources, amounting to 3,603,350 euro in internal costs alone (criterion adopted: average hourly cost of Group personnel * total training hours provided in 2024).

ORGANISATION – EVOLUTION AND INNOVATION IN HUMAN RESOURCE MANAGEMENT OF THE DOLOMITI ENERGIA GROUP

In 2024, the Dolomiti Energia Group embarked on a process of redefining its values, mission and vision, placing people and active listening at the centre of its strategies. This process led to creation of the **Leadership Manifesto**, fundamental in guiding organisational development and enhancing human capital.

In collaboration with Bain, the Group launched an in-depth analysis of the organisational model with the aim of building a solid industrial holding company and defining organisational structures capable of facing future challenges.

THE KEY ROLE OF THE INDIVIDUAL AND THE VALUE OF LISTENING

The focus on people is reflected in adoption of the value of **Listening**, understood as a pillar for the professional and personal growth of individuals. Active listening was formalised in the Leadership Manifesto, which defines the guiding principles for effective communication and an inclusive and collaborative work environment.

DEVELOPMENT OF THE ORGANISATIONAL MODEL

The analysis conducted with Bain, also through pilot functions, enabled the design of a new organizational structure to strengthen corporate governance and optimize synergies among the various Group companies. This approach aims to:

- improve the ability to respond to market challenges;
- ensure greater process flexibility and innovation;
- create a solid and sustainable industrial holding company in the long term.

INNOVATION IN HUMAN RESOURCE MANAGEMENT PROCESSES: THE PEOPLE STRATEGY

In 2024, the Group consolidated tools and methods for the management and enhancement of its human resources by adopting a strategic model that recognises the value of talent and employee engagement. The initiatives undertaken aim to create a dynamic and stimulating work environment, in which each person can express their potential and actively contribute to the growth of the company. People are the heartbeat of the organisation. Their talent, skills and dedication are fundamental strategic levers to overcoming the challenges of an increasingly competitive and rapidly evolving market. The People Strategy is therefore structured to create value through the development of human capital, promoting an inclusive working environment and focusing on individual well-being. The goal is not only to increase productivity, but also to encourage innovation and collaboration at all company levels. We focus on the importance of recognising each individual's needs, aspirations and talents, fostering welcoming and inclusive work environments.

The main areas of innovation were:

- **Engagement and Training:** personalised professional development paths for employees, aimed at enhancing skills and promoting a culture of continuous improvement, as well as strategic retention tools. The skills development paths include assessment sessions, leadership programmes and individual paths, in addition to continuous training. We encourage the opportunity to participate in special projects, offering employees concrete opportunities to acquire new skills and expand their professional experience. This investment in internal talent not only motivates and retains resources, but also contributes to create a dynamic and stimulating work environment, focused on the ability to generate innovation, whatever the company context of employment.
  We have also redesigned the work organisation model to ensure a better work-life balance, offering flexible working hours and remote working methods.
- **Innovation and Knowledge:** we accompany people towards a full understanding of the role and build the Group Succession Plan, nurturing technical, digital and life skills.
- **Enhancement of Young Talents: Graduates and Ambassadors**

  To foster innovation and enhance young talents, the Group has launched the **Graduates and Ambassador** programmes.

  - The **Graduates** programme targets recent graduates with the aim of placing them on structured growth paths, allowing them to acquire skills and develop leadership.
  - The **Ambassador** initiative allows senior employees to actively contribute to corporate innovation, becoming promoters of new ideas and projects within the Group.
  - **Group Family Audit** Certification: we have successfully extended the certification, initially assigned to Dolomiti Energia, also to the other Group Companies, as a further sign of attention to the needs of personnel, to work-life balance issues and to increasing both the corporate and community well-being.
  - **Gender Equality Certification**: Dolomiti Energia Holding and Dolomiti Energia have obtained Gender Equality Certification under UNI/PdR 125/22. In the two-year period 2025-2026, the process of extension to the other Group companies will continue. This result is a significant achieve-

ment and represents further concrete evidence of the policies supporting female empowerment, work-life balance and parenting support.

With these transformations, the Dolomiti Energia Group is confirmed as an innovative, future-oriented organisation, able to successfully face the challenges of the energy sector and to make the most of its human resources.

Process innovation and digitalisation: The Dolomiti Energia Group is advancing the process of defining and mapping job descriptions, ensuring greater clarity on roles and responsibilities within the organisation, thus ensuring that the roles remain consistent with organisational developments. At the same time, the digitalisation process of all HR activities in the Zucchetti portal is progressing, allowing more efficient and centralised management of personnel data. The ultimate goal is to create a single access point for employees and managers, optimising human resource management and promoting greater data transparency and accessibility.

SOCIAL IMPACT PROJECTS AND INITIATIVES

The Group has begun partnerships with local associations to generate a strong social impact, supporting return-to-work initiatives, corporate volunteering, social inclusion and environmental protection.

We have strengthened our network with local authorities, universities and innovation incubators, promoting joint projects to facilitate labour supply-demand matching. In particular, we collaborate with schools and universities to develop internships, apprenticeships and alternating school-work courses, as well as partnerships with higher education institutions, offering young people a first contact with the professional world. To support the new generational growth, we have set up merit-based study grants and paid internships.

We actively participate in Career Days and employer branding initiatives, increasing company visibility and attracting young talents.

In addition, the Group has established a strategic partnership with provincial bodies specialising in the social and employment reintegration of people in vulnerable situations. Among the main initiatives, we launched a pilot project to improve the urban sweeping service, involving eight people from vulnerable backgrounds and offering them a real opportunity for professional reintegration.

AUDIT AND DATA PROTECTION

The Internal Audit and Personal Data Protection function implemented the 2024 internal audit plan approved by the Board of Directors. The plan consists of assurance and advisory measures designed to enhance and optimize the governance, risk management, and control system. These measures serve as a comprehensive framework of safeguards aimed at preventing, mitigating, monitoring and managing risks related to business activities, with a positive impact on the creation of value for the Group.

The assurance measures specifically focused on corporate and company processes such as M&A transactions, NRRP financing, the cash pooling system, management of sales channels, trading processes, compliance with the European General Data Protection Regulation (GDPR), and checks on compliance with the Organisation and Control Model pursuant to Italian Legislative Decree 231/01.

Management advisory activities focused on changes to the risk management and control governance system in light of the corporate and organisational changes that took place in 2024, with particular reference to the management and coordination criteria for the Holding company, planning and budgeting processes, and procurement operations in the renewables sector, in order to strengthen and update risk management controls. During 2024, in collaboration with the competent company departments, the Internal Audit function completed the provision of innovative tools, also based on generative artificial intelligence, to all employees with the aim of significantly improving the use and knowledge of company processes to oversee the management of material risks.

Also in 2024, the Company and each of its subsidiaries, updated their Organisation and Control Model pursuant to Italian Legislative Decree 231/01 through a risk assessment process in light of the new offences introduced by said decree. At the same time, the Group's Code of Conduct was updated in order to incorporate the Group's renewed values and consistent conduct, as well as strengthen ESG oversight. During the year, the Group's Anti-Corruption Policy was also updated with the aim of providing increasingly clear and concrete provisions on the main areas where corruption and bribery can be committed, in continuity with existing provisions.

Periodic reports were made by the Head of Internal Audit and Personal Data Protection to the Board of Directors and the Board of Statutory Auditors on the performance of the internal audit plan in 2024, using not only traditional audit methods but also digital continuous auditing tools and innovative approaches such as agile auditing, reporting on the findings, the progress of follow-up on audit remediation plans, the results and benefits of initiatives to constantly update the corporate governance, risk management and control model.

During the year, the Company's Supervisory Body, appointed to monitor the adequacy, effectiveness and compliance of the Organisational and Control Model pursuant to Italian Legislative Decree No. 231/01 aimed at preventing the predicate offences resulting in the entity's liability under said decree, continued its supervision – also coordinating with the Head of Corruption Prevention for pertinent areas – and periodically reported to the Board of Directors and Board of Statutory Auditors on the outcomes of the inspections carried out on sensitive processes and the corporate design activities, also carefully following regulatory changes.

With reference to compliance with personal data protection legislation regulated by the European Regulations (GDPR), the Dolomiti Energia Group, also in 2024, managed numerous process and service innovation initiatives using new systems, new suppliers and focusing on to new purposes. The prior involvement of the Privacy Officer and the Data Protection Officer, in collaboration with the Data Controller, in the various company initiatives that process personal data, was fundamental to design processes and services that took into account adequate measures to protect the personal data of customers and employees entrusted to the Dolomiti Energia Group.

The Group adopted a specific procedure to manage any Data Breaches in terms of interception, assessment of the severity, assessment of the notice to the Data Protection Authority, disclosures to data subjects and consistent record keeping. Internal and external Data Processors (suppliers) are also involved in the process of analysing breaches. In 2024, a total of 6 personal data breaches were recorded and managed, but conditions of seriousness were not found in any of these violations such as to trigger the obligation to notify the Data Protection Authority or issue a Disclosure to the Data Subjects affected. For each breach indicated above, additional technical and organisational measures were identified, in agreement with the departments/offices concerned, to prevent the recurrence of similar situations.

RESEARCH AND DEVELOPMENT

In 2024, activities with high innovative content continued, on one hand with the reservation of strategic relationships and on the other with the implementation of real solutions in support of corporate processes, of the operation and advanced management of the Group's activities.

The Group has invested in innovative research in various sectors, some of which are summarised below.

Renewable energy production systems: the experimentation of innovative technology continued for the conversion of hydraulic energy into electricity, which can be installed and used along open-channel hydraulic transport works designed by the partner HE-Powergreen S.r.l. with which a specific agreement was signed in 2020. Again in 2024, testing activities continued on the machinery installed along the Biffis canal, relating to the Bussolengo Chievo concession held by HDE, which will continue pursuant to provisions of the agreement referred to above subject to a timeline extension in 2024 to 2027.

In 2024, there were further developments in the important research activity that began in 2022 as part of the Horizon 2020 project called SUNRISE: "Strategies and Technologies for United and Resilient Critical Infrastructures and Vital Services in Pandemic-Stricken Europe". This initiative, which involves various industrial and institutional partners at European level, aims to develop active cooperation and joint response strategies in the field of European Critical Infrastructures (ECIs) and, at the same time, to increase the preparation and equipment of the CIs to adequately assess, address and manage the risks created by future pandemics. The Group particularly focused on the presentation and analysis of a case study involving the remote inspection of strategic hydraulic works (using drones and satellite-based remote reading combined with artificial intelligence systems for signal processing) related to hydroelectric plants. Attention was also given to the possibility of extending signal processing techniques to images captured by existing video surveillance systems, in order to automate the process and normalise it with respect to event and alarm management techniques (RCE function) in use in the OT area. This allowed the Group to strengthen and enhance its role in the project with the related company.

During 2024, R&D and innovation activities in the technological and digital fields continued across the areas covered by the Group. The main activities pursued are:

Introductory launch of the Portale Utente Finale (End User Portal) for ELECTRICITY and GAS as part of the digital transformation project, the creation of a private area for distributors' users, where information relating to the customer's withdrawal points will be made available, including everything related to suspensions (planned, ongoing and past with related indemnities), withdrawal and production readings, and all the point characteristics (voltage, tariffs, power, etc.).

An area will also be provided where users can interact with the distributor to submit service requests, such as quotes for new installations, modifications or removal of plants, complaints, and/or information requests.

Introductory launch of an invoicing system accelerator (in progress) aimed at optimising the management of relations with sellers/IIS, making acquisition of the required services and their management as automated as possible, from eligibility checks and technical service execution activity up to the result flows to be sent to the sellers/IIS. These tools improve business operations and introduce important tools for monitoring the progress of cases.

WFM development: Development of the Work Force Management (WFM) information system. In 2024, development of the WFM system continued with the aim of making the GDE distribution business processes more efficient, with the introduction of semi-automatic logics for scheduling appointments based on the position and type of activities (coverage of functional areas: utility management, plant maintenance, emergency response). (operational)

An extension of the WFM was also introduced for equipment maintenance for all the Group companies, with the aim of making the entire process more efficient and dematerialised, providing personnel in charge with action deadlines and the documentation necessary for carrying out inspections in the field. (operational)

New METERING management: The transfer to consumption of meter readings taken from electricity meters began in 2024. This development makes it possible to eliminate the traditional method that envisaged calculation of the difference between the various readings to then proceed to SAP invoicing of the related kWh. The quartiles read from each 2G meter, already expressed in kWh, will be added up and transferred from the MDM metering management system to the SAP system for invoicing. In this way, there is a clear separation of the function of control, management and publication of meter readings to external systems from the function of invoicing to sellers.

Introduction of the drive-by mode for the remote reading of RF electronic meters in the water service: the objective of the initiative is to optimise the consumption acquisition process and the invoicing processes. The remote reading takes place through vehicles already in use for utility/maintenance management. (operational)

2024 saw the introductory launch of new Work Force Management methods (in progress) for production plant maintenance. This system will align the production companies to that already in place for the distribution companies. The system will allow execution of the Work Orders, online and offline, assigned in the weekly scheduling process, and actions not envisaged in the field, as well as spot readings of parameters. The back office system will also allow the assessment of quantities collected and the planning of corrective actions if anomalous data is detected.

A **new system for the management and optimisation of warehouse logistics flows** was introduced at the new Logistics HUB for the various Group companies. The system uses WEB technology and mobile radio frequency tools. It allows improvement of the product traceability processes, warehouse handling management and stock analysis.

Project launched for streamlining of the Order Automation processes and automatic goods acceptance flows originated by the procurement application following RDA input and approval.

New process for remote digital signing of contracts and orders, along with integrated document management.

Diagnostic tools were introduced on company collection vehicles to ensure efficient operation and prevention of breakdowns, allowing a reduction in CO2 emissions thanks to reduced travel and better quality of services provided to citizens. Improvement of the operational efficiency of employees in maintenance and collection activities. It also enables improvement of the operational efficiency of employees in maintenance and collection activities.

18 business applications were migrated to the public cloud (e.g. Azure) or SaaS allowing an increase in

security, resilience and scalability of the infrastructure, optimisation of the energy resource consumption and the ability to enable innovative technology for business.

A new application stack was introduced in 2024 to manage all the main management processes of the trading company. The main innovations introduced are:

- New CRM system that enables full digital sales also to the local area
- Complete signature digitalisation
- Option to provide customers with sales offers based on quarter-hour consumption data
- New metering management system for the capture of the quarter-hour data, reducing the need for estimated bills
- New invoicing systems that reduce invoice issue times, ensuring a more punctual service to customers.

Remote management systems: the new systems for remote management of electricity meters and metering management have been further developed to automate operations and increase the percentage of operations actually carried out remotely, reducing the need for manual operations.

With reference to natural gas metering, 2024 saw the consolidation of system developments that led to a considerable improvement in the meter readings percentage, also in response to the new regulatory framework that envisaged the transition to monthly reading of all mass market utilities commissioned (class G4-G6).

Electricity grid management: a further development of SHA Self Healing Automation was activated on the first two MV lines in 2024, with a view to further improving service quality by reducing the number and duration of outages. This technique disconnects only the faulty section with automatic counter-fuelling of the sound part of the grid. With a view to increasingly active management of the medium-voltage grid, the project for implementation of a new system for voltage profile calculation was launched and development continued of the communication systems between the central systems and the equipment installed along the MV and BV grid.

During the year, the drones fleet was further strengthened and new pilots were trained, which made it possible to increase the percentage of network inspected using this technology, improving results and reducing the need for inspections on foot.

RELATED PARTY TRANSACTIONS

According to IAS 24, related parties are defined as the parties that share with the Company the same controlling entity, the companies that directly or indirectly control it, are controlled or are subject to joint control by the Parent Company, as well as companies in which the Parent Company holds an equity investment able to exercise a significant influence.

During the year, the Company strengthened existing controls in relation to the correct management of transactions with related parties by voluntarily adopting a company procedure to guarantee the transparency and substantial and procedural correctness of such transactions.

The procedure defines the roles, responsibilities and methods for the approval and management of transactions with related parties, envisaging the establishment of an RPT Control Unit composed of the Head of the Legal and Corporate Affairs, Head of Administration of the Company and Head of Finance - M&A - Risk Management and/or the Head of the Purchasing Facility and Logistics, if deemed necessary or appropriate. The RPT Control Unit appointed to express a non-binding opinion on a transaction with related parties after consulting the Chairperson of the Board of Statutory Auditors, may request advice from an Independent Expert to assess the economic conditions of the transactions.

The procedure envisages specific exemptions from application of the provisions on related party transactions, including:

- resolutions on the remuneration of directors and statutory auditors, within the limits approved by the Shareholders' Meeting;
- transactions aimed at all shareholders on equal terms, such as share capital increases/decreases and demergers;
- low-value transactions;
- ordinary transactions concluded at arm's length;
- transactions between subsidiaries or associates, provided there are no significant interests of other related parties.

From 2025, the Company will arrange complete mapping of transactions with related parties, in order to systematically monitor and document these transactions and to ensure full compliance with the procedure adopted.

During the year, the Company carried out transactions with related parties that are part of ordinary company operations and were concluded at arm's length, similar to the conditions applied to unrelated counterparties, in compliance with applicable regulations.

The main related-party transactions are reported below:

DOLOMITI ENERGIA HOLDING SPA TRANSACTIONS WITH LOCAL AUTHORITIES

The major Municipalities are Trento, Rovereto, Mori, Ala, Volano, Calliano and Grigno. Over 60 other Trentino Municipalities are shareholders of Dolomiti Energia Holding, most of which have assigned local public service management to the Company and its subsidiaries.

Two leases are in force between the Municipal Administration of Rovereto and Dolomiti Energia Holding SpA in relation to the property used as the Group's registered office. The contract of these leases expires in 2027 and involves lease payments at arm's length conditions.

INFRAGROUP RELATIONS

Detailed below are the main service agreements in force within the Group:

Service agreements signed between Dolomiti Energia Holding and the subsidiaries Dolomiti Energia, Novareti, Dolomiti Energia Solutions, SET Distribuzione, Hydro Dolomiti Energia, Dolomiti Energia Trading, Dolomiti Ambiente, Dolomiti Edison Energy, Dolomiti Energia Hydro Power, Dolomiti GNL, DTA, EPQ and Gasdotti Alpini. These agreements govern common administrative, IT, technical and logistics services provided by Dolomiti Energia Holding.

As part of the agreements described, the leases granted by Dolomiti Energia Holding to Dolomiti Energia, to SET Distribuzione and to Novareti on property used as their registered offices in Trento and Rovereto are also governed.

For all above contracts, the fee payable to Dolomiti Energia Holding is proportionate to the cost of providing the service and to market prices.

Business lease agreement between SET Distribuzione and Dolomiti Energia regarding the customer management business unit leased from SET to Dolomiti Energia. The fee is set at 0.2 million euro.

FINANCIAL AND TAX SERVICES

Agreements are in force governing economic and organisational relations with authorities for the tax consolidation scheme, Group VAT and cash pooling, entered into with the subsidiaries Dolomiti Energia, SET, Novareti, Dolomiti Energia Solutions, Dolomiti Energia Trading, Hydro Dolomiti Energia, DGNL, Dolomiti Edison Energy, Dolomiti Ambiente, Dolomiti Energia Hydro Power, Dolomiti Transition Assets, EPQ, Gasdotti Alpini, Dolomiti Energia Rinnovabili and New Power Group.

Infra-Group debit/credit and purchase/sales relations and such relations with subsidiaries are illustrated in detail in Note 10 of the Explanatory Notes to the Separate Financial Statements and in Note 9 of the Explanatory Notes to the Consolidated Financial Statements.

BUSINESS OUTLOOK

The prospects for 2025 are undoubtedly positive, with the group focused on consolidating the growth trajectory begun in 2024 and developing the new business plan, which will be presented by the end of the first half of the year.

The first few months were characterised by decidedly high prices in the energy sector, driven by the price of gas which in February reached of 52.9 euro/MWh due to geopolitical tensions and higher consumption in the winter period in many European countries. Hydroelectric producibility remained largely consistent with historical averages.

January saw the closing of the transaction for the Epico Group's acquisition of 100% of the share capital of Hydrowatt SHP S.r.l. The operation comprises 14 photovoltaic plants located in Marche, Abruzzo, Lazio and Molise, with a total capacity of 13.1 MW.

In February, the agreement was finalised with the IVPC Group, leader in the sector of renewable energies in Italy, which envisages the acquisition of 49% of the share capital of a number of companies specialised in development, management and maintenance of wind and photovoltaic plants, and the acquisition of 75% of the share capital of certain IVPC Group companies holding around 66 MW of wind and photovoltaic plants already in operation, 30 MW currently under construction and a pipeline of further projects totalling around 867 MW, divided into various development phases, with approximately 72 MW already authorised and a further 212 MW at an advanced stage of the authorisation process.

The two transactions confirm the strategy of growth and diversification of production sources undertaken by the group with the aim of acquiring new renewable energy production skills and creating significant opportunities for expansion also for other businesses outside the traditional reference areas.

In 2025, the group will be engaged in preparatory activities for the renewal of the Taio-S. Giustina concession, which expires in August, pending the finalisation of the regulatory framework regarding the renewal procedures for concessions.

During the year, developments are also expected in the tender for award of the natural gas distribution service in the Single Provincial Area of Trento, for which the subsidiary Novareti submitted a bid in July 2024. The launch of the new concession is expected from January 2026 and therefore will have no effect in the current year but will obviously have significant effects in the medium term.

The first few months of 2025 saw the closure of the SPRINT organisation project and work began on launching the new strategic plan, which will be approved in May and will give visibility to the Group's growth path through 2030.

TREASURY SHARES

As at 31 December 2024, Dolomiti Energia Holding owned 26,369,875 treasury shares with a nominal value of 26,369,875 euro. The percentage of this shareholding comes to 6.4%.

As at 31 December 2024, Dolomiti Energia Holding did not own, either directly or through trust companies or third parties, any shares of parent companies.

SUSTAINABILITY REPORT

Consolidated sustainability statement

TABLE OF CONTENTS

ESRS 2 GENERAL DISCLOSURES

BP-1 GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS

For years, the Dolomiti Energia Group "GDE" has been committed to renewing its approach to sustainability, which is already an integral part of its business, in order to meet stakeholders' expectations, taking on an increasingly important role in the country's energy transition and remaining competitive in a dynamic economic context; all this with an evolution that is compatible and consistent with the reference European regulations, such as Legislative Decree 125/2024, issued in implementation of Directive (EU) 2022/2464 ("Corporate Sustainability Reporting Directive"), Art. 8, Regulation (EU) 2020/852 of the European Parliament and of the Council and related Delegated Acts.

The 2024 Sustainability Statement marks a significant step in the continuous improvement process and in the evolution of the Group's integrated reporting, as it was drafted for the first time based on the requirements of the EU Directive, i.e., the Corporate Sustainability Reporting Directive (CSRD) and the related European Sustainability Reporting Standards (ESRS) that require companies to report on non-financial aspects through more stringent and detailed criteria than in the past. In line with the CSRD, a dual materiality analysis [No change made. In the EN version, all instances of 'rilevanza' and 'materialità' should be translated as 'materiality' only] was carried out to identify the most important sustainability issues for the Group and its value chain, considering both the implications of impact materiality and financial materiality, to which a section of this consolidated statement will be dedicated.

The scope of consolidation of this consolidated sustainability statement coincides with that of the financial statements. There are no differences between the list of entities included in financial reporting and that included in the sustainability reporting. With reference to the criteria adopted by the Group to define the consolidation area and the related consolidation principles, please refer to the Consolidated Financial Statements.

This consolidated sustainability statement addresses topics related to the impacts, risks and opportunities (IROs) found material from the dual materiality analysis described in IRO 1 section. As indicated in the table in the IRO section, the material IROs for the Dolomiti Energia Group are located along the entire value chain. It follows that the description of policies, actions, targets and representative metrics in the next chapters concerns, in addition to business activities, also specific aspects of the Group's supply chain and customers, with the aim of providing a global and integrated vision.

In particular, chapters S4 and G1 indicate various policies, actions, targets and metrics related to the Group's suppliers and customers.

The Group did not deem it necessary to avail itself of the option of omitting specific information related to intellectual property, know-how or the results of the innovation, as it does not hold patents. However, no information relating to upcoming developments or issues subject to negotiation has been disclosed in this consolidated sustainability statement in order to ensure its confidentiality.

BP-2 DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Information on specific circumstances is provided below:

TIME HORIZONS

In conducting the dual materiality analysis, the Group adopted the time horizons in line with the provisions of ESRS1 6.4 and reported below:

- Short-term horizon: calendar year 2024;
- Medium-term horizon: up to five years from the end of 2024;
- Long-term horizon: beyond five years from the end of 2024.

ESTIMATES AND CAUSES OF UNCERTAINTY

The metrics reported in the consolidated sustainability statement are not subject to a high level of measurement uncertainty, unless explicitly stated in correspondence with the metric itself.

In particular, the metrics relating to GHG (Scope 3) emissions on the Group value chain, indicated in section E1-6 of this consolidated statement, are the result of estimates with a low level of uncertainty since they are based on recognised methodologies.

USE OF TRANSITIONAL MEASURES

In this Consolidated Statement, the Group used the following transitional measures envisaged in ESR1 Appendix C, as applicable:

- ESRS 2 SBM-1: total revenue by ESRS area
- ESRS SBM-3: expected financial effects
- E1-9
- E3-5
- E5-6
- S1-7
- S1-14: only in reference to reporting on occupational diseases and non-employee workers
- S1-15

In addition, for 2024 the Group made use of the transitional measure relating to the presentation of comparative information

GOVERNANCE

GOV-1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Dolomiti Energia Holding S.p.A. (DEH) is managed by a Board of Directors (BoD) composed of 12 members, including the Chairman, appointed by the Shareholders' Meeting on 29 April 2024 and remains in office for three financial years. Five of them - including by right the Chair, Chief Executive Officer and Vice Chair - are also members of the Executive Committee.

The BoD has delegated part of its top management functions and those of supervision of ordinary company business to a Chief Executive Officer, who has also taken on the title of General Manager.

The composition of the BoD of the Parent Company is shown below.

Number of executive and non-executive members

Type of component	
Number of non-executive members	7
Number of executive members	5

Breakdown by gender in the administrative, management and supervisory bodies

Gender	
Men	75%
Women	25%

The Articles of Association do not specifically call for independent members on the BoD of the Parent Company. Currently, there are no representatives of employees and other workers in the administrative, management and supervisory bodies of the companies of the Dolomiti Energia Group (DEG).

The process of appointing the members of the BoD and the Board of Statutory Auditors of the Parent Company takes place through the filing of lists submitted by Shareholders who individually or jointly represent at least 5% of the share capital. Each list contains at least seven (7) names listed by a sequential number. At the time of appointment, the first seven directors are appointed from the list that obtains the majority of the votes cast, with the first name on the list being appointed Chair, and the remaining five directors being drawn from any other lists filed. The candidate elected from the list other than the one that obtained the majority of votes, placed first, is elected Vice Chair of the Board.

All nominees meet the requirements of Article 2382 of the Italian Civil Code and all directors appointed by the Shareholders have the necessary skills with reference to the characteristics of the business carried out by the Parent Company and the Group. In particular, the skills fall in the energy, industrial, economic and financial and risk management sectors.

The Chair of the Board of Directors, Silvia Arlanch, is not an executive of the company.

The company's Board of Directors plays a central role in corporate governance, holding powers concerning the strategic, organisational and control policies of the company and the Group, whose sustainable success it pursues. The BoD meets at regular intervals according to a shared schedule, and operates so as to ensure the effective performance of its functions. In this regard, it should be noted that in 2024 the BoD voluntarily adopted a Regulation for the conduct of its work. Based on the provisions of the Regulation, the Chair ensures compliance with and regulates the methods of fulfilling the information obligations to and from the directors, ensuring that all directors and statutory auditors can participate in initiatives aimed at providing them with adequate knowledge of the business sectors in which the Group companies headed by DEH operate, the business dynamics and their evolution (also with a view to the pursuit of sustainable success), as well as the principles of proper risk management and the reference regulatory framework. Several induction sessions were held in 2024; they concerned the corporate governance of the company and Group, the structure and operation of the business. In September 2024, a session was held dedicated to sustainability issues and an overview of the CSRD and the 2024 dual materiality process, analysing the methodology and results.

The Parent Company's BoD is composed of directors appointed by the Shareholders, each of whom possesses the necessary skills to ensure the effective and focused management of the business.

The BoD has many years of experience in key sectors for the Group's business, with a significant focus on the production of energy from renewable sources, a sector that is constantly evolving and of fundamental strategic importance. Alongside these technical skills, there are also experts with a consolidated background in the industrial, economic and financial fields, able to face challenges with an integrated and long-term vision.

Experience, particularly in the energy sector and in global economic dynamics, is of fundamental value in order to supervise and address sustainability issues, an increasingly crucial aspect for the future of the business. The economic and financial expertise of the Board makes it possible to assess the long-term impacts of business decisions, optimising the allocation of resources to ensure not only economic growth, but also compliance with sustainability commitments.

The ability to manage business risks gained in complex contexts is also essential in the management of risks related to climate change, the new regulations and the challenges related to the energy transition. The combination of these skills allows the BoD to monitor and guide company policies towards sustainability targets, ensuring a balance between economic performance, social responsibility and environmental protection.

In detail, the technical skills of the Board of Directors:

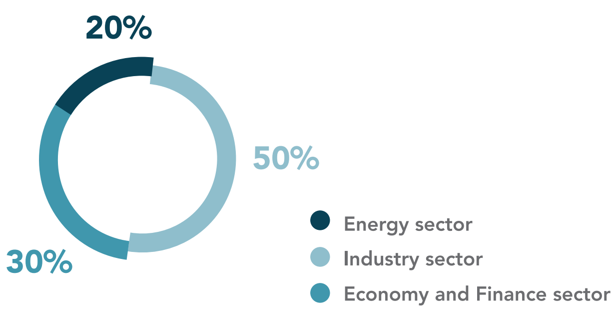
- Silvia Arlanch, Chair of the Dolomiti Energia Group, is enrolled in the Register of Chartered Accountants of Trento and Rovereto and in the Register of Statutory Auditors, has many years of experience in the field of statutory auditing and is a professional specialised in tax, accounting and administrative and consultancy services to businesses. She recently completed a series of courses related to ESG issues, including the "ESG LEADERSHIP" Executive Master of AISCA, the "SUSTAINABILITY REPORTING AND FINANCIAL REPORTING OPERATIONS" course of ODCEC of Trento and Rovereto and the "ESG Academy 2024" of PWC.
- Giorgio Franceschi has a degree in Economics and Commerce and is enrolled in the Register of Chartered Accountants; he has accrued extensive experience in the financial sector, holding numerous positions on the boards of directors of energy, real estate and industrial companies.

- Marco Panfili has a degree in Management Engineering from the Polytechnic Institute of Bari and an MBA from the Bologna Business School; he has worked for investment funds and independent energy producers such as 9REN Group, Global Solar Fund, Cubico Sustainable Investments and Equitix. With over 15 years of experience in the renewable energy market, he has been involved in the four main life phases of these assets: development, construction, O&M and asset management. In 2024 he completed the 'Finance for Executives' course at SDA Bocconi, Milan.
- Paolo Nicoletti has a degree in Economics; he gained solid experience at the Autonomous Province of Trento, where he held the role of Director of the Agriculture, Tourism, Commerce, Promotion and Internationalisation Department.
- Manuela Seraglio Forti has a degree in Materials Engineering; she has accrued many years of experience in metalworking and metallurgical companies. Since 2013, she has offered technical and metallurgical consultancy to Italian and foreign companies. She recently completed a series of courses related to ESG issues, including AISCA's "ESG LEADERSHIP" Executive Master, and PWC's "ESG Academy 2024". She has been a member of the ESG Committee of the Dolomiti Energia Group since February 2025.
- Giuseppe Consoli has accrued many years of experience in the insurance and financial sector, holding the role of Chair and Board Member at ITAS MUTUA, ITAS PAY SPA and ITAS VITA SPA.
- Stefano Granella is the Chief Executive Officer of the Dolomiti Energia Group; he has extensive experience in the energy sector, with a focus on renewable energies. With over 25 years of experience, he has held positions of responsibility in management control, strategic planning, energy management and M&A at ENEL, ERG SpA, a2a. Moreover, he has been the Chief Executive Officer and General Manager of 9REN, Restiani SpA, Mareccio Energia and ENERQOS.
- Chiara Tomasi has a degree in Economics and a PhD in Economics and Management; she teaches in the Department of Economics and Management of the University of Trento. As the co-author of numerous publications, she has participated in conferences and workshops in Italy and abroad.
- Massimo Fedrizzi has a degree in Economics and Commerce; he is Chief Executive Officer of Unico di Gram Srl and La Finanziaria Trentina S.p.A., in addition to holding the role of Director of the latter. He has extensive experience in the financial and investment sector.
- Simone Canteri has a degree in Mechanical Engineering, with an MBA and Executive Master in finance; he is General Manager of the ACSM SpA Group, a Trentino utility that produces and sells electricity and thermal energy. He has over 15 years of experience in the energy sector, thanks to previous work experience at SAIPEM and DEME Group (leading global EPC contractors in the energy and infrastructure sectors).
- Michele Iori is enrolled in the Register of Chartered Accountants of Trento and Rovereto and the Register of Statutory Auditors; he specialises in tax matters and offers consultancy to companies. He is also a journalist and publicist, author of numerous articles in specialised magazines in the fields of taxation, accounting, financial statements, auditing and corporate transactions, also for publications such as "Sole24ore".
- Claudio Cortella has a degree in Architecture and is enrolled in the Order of Landscape Architects and Conservationists of the Province of Trento; for over ten years now, he has been part of a network of professionals who work on the design and construction of buildings, with particular attention to those in wood, from the first study phases to the correct construction of the work.

Following are the technical skills of the Board of Statutory Auditors:

- Monia Bonenti has a degree in Economics and Commerce; she has over 20 years of experience in tax, accounting and administrative matters. She also has expertise in national tax law and corporate law.
- Laura Costa has accrued extensive experience in accounting, tax and corporate matters, in extraordinary transactions, in the management and administration of publicly controlled companies. She is enrolled in the Register of Chartered Accountants of Trento and Rovereto, the Register of Statutory Auditors, the Register of Technical Consultants of the Judge and the Register of Experts at the Court of Trento. She acquired financial expertise thanks to her assignments at Pensplan Centrum SpA. She recently completed a series of courses related to ESG issues, including AISCA's "ESG LEADERSHIP" Executive Master, and PWC's "ESG Academy 2024". In addition, she has been a member of the ESG Committee of the Dolomiti Energia Group since February 2025.
- Maura Dalbosco has a degree in Economics and is enrolled in the Register of Chartered Accountants of Trento and Rovereto, in the Register of Statutory Auditors, the Register of Technical Consultants of the Judge and the Register of Experts of the Judge. She is a professional with many years of specialist experience in tax and legal matters, and provides business and tax consulting services.

Administrators for diversity of specialist backgrounds



In line with its business model, the Group has always had a penchant for sustainability; in 2023 it embarked on a formal path to structure its governance and ensure the traceability of ESG principles in its business model, ensuring that all activities are consistent with the sustainability targets and with stakeholder expectations.

In December 2023, the Group ESG Department was established, under the Chairmanship, with the task of managing and developing sustainability projects. The ESG Department coordinated the preparation and publication of the of the first consolidated sustainability statement compliant with the CSRD, in collaboration with all the company departments involved, highlighting the Group's growing attention towards transparency and reporting its sustainable actions.

The department supports the Chief Executive Officer and Management in the definition and continuous updating of t[he Sustainability Plan, ensuring that it is aligned with the corporate strategy, the integrated management systems, the regulations in force and the values of the Group. This includes the identification and assessment of the potential impacts and risks of the policies adopted on the organisation and the services offered. The ESG Department also monitors the progress of the projects envisaged in the Plan through specific targets, assessing the effectiveness of the initiatives and identifying any areas for improvement.

The department ensures continuous alignment between the strategic vision and operating activities, integrating sustainable actions at all levels. In addition, it promotes a responsible corporate culture through awareness-raising and training activities, involving various company departments.

In July 2024, in order to better involve the governance of the business, the Sustainability Managerial Committee was established, an inter-functional committee that brings together the Chief Executive Officers of the various subsidiaries and, by invitation, the heads of the functional corporate areas in order to coordinate sustainability activities, which may also involve several company or intercompany departments, and manage the implications thereof. The Managerial Sustainability Committee meets according to need, therefore the number of Chief Executive Officers varies from time to time and includes the presence of the Group's Chief Executive Officer.

In February 2025, an ESG Committee was established with an investigation and proposal function, which will report directly to the Board of Directors, and with the task of supporting the Board of Directors in defining and monitoring corporate strategy in relation to sustainability, risk management and in identifying related opportunities.

The establishment of the ESG Committee will allow the Company to address the challenges and opportunities related to sustainability in a structured and effective manner, strengthening the competitiveness and resilience of the business in the long term.

In particular, the Committee:

- Will formulate opinions and make proposals on the definition of a strategy that integrates sustainability into business processes in order to ensure the creation of value over time for shareholders and for all other stakeholders, also through actions to increase efficiency and support the preparation of the Business Plan;
- Will examine the scenarios for the preparation of the Group's Sustainability Plan and will formulate a proposal of the Plan to the Board of Directors;
- Will examine the general structure and articulation of the contents of the consolidated sustainability statement and the scenarios for preparing the Group's Sustainability Plan, as well as the completeness and transparency of the report provided by them and its consistency with the principles envisaged by the reporting standard used, issuing a prior opinion in this regard to the Board of Directors called to approve them;
- Will examine the methods for implementing the Sustainability Plan;
- Will examine and evaluate issues related to the climate transition, decarbonisation, technological innovation, green chemistry and circular economy;
- Will express opinions on other sustainability issues at the request of the Board;
- Will coordinate with the Control and Risk Committee in assessing the suitability of periodic non-financial information;

- Will examine the scenarios for the rating request;
- Will promote the dissemination of the culture of sustainability among employees, collaborators, shareholders, business partners, users, customers and, more generally, stakeholders;
- Will contribute to cultural activities and image promotion in the territories in which the Group operates.

The ESG Committee consists of a minimum of four (4) members, with no maximum number thereof, chosen from among non-executive directors of the company and executives or middle managers of the Group, as well as representatives from outside the Group, with expertise in the business sector in which the companies and their subsidiaries operate, as well as in the area of governance, strategy and communication. At least one member of the Committee has adequate experience in the field of environment, sustainability and corporate social responsibility and/or corporate governance.

The methods with which the surveillance and supervision activities will be carried out on the targets related to material impacts are being analysed. The Committee will meet every two months or as frequent as required to ensure the proper performance of its activities and functions. In any case, meetings are expected to be used as the main tool, involving the different business areas in rotation to ensure direct participation in monitoring the goals achieved.

In this process of structuring governance with respect to sustainability issues undertaken by the Group, particular attention is paid to training on the issue and the growth of skills in the area.

During 2024, both the Board of Directors and the Sustainability Managerial Committee participated in various specific induction sessions, with particular attention to sustainability and social responsibility issues. The purpose of these initiatives was to actively involve them in the Group's ESG journey, acquiring an in-depth understanding of the impacts, risks and opportunities related to sustainability. These training sessions represented an important step towards aligning directors and management with the Group's ESG priorities and objectives. Management also participated in several engagement sessions on the data collection process and specific training on the use of the new ESG software specifically purchased in 2024, as well as in a specific training session on the dictates and perspectives deriving from the Green Claim Directive.

Sustainability skills and experience are a crucial aspect to effectively manage the social and environmental aspects related to the business; therefore, the Board of Directors will make use of these specific skills also with the impetus of the ESG Committee.

GOV-2 INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The ESG Department communicates with the Chair through fixed and scheduled moments, which make it possible to constantly monitor and assess the progress made in ESG initiatives and the material topics that emerged from the dual materiality analysis.

As reported in the previous section, starting from July 2024, a process was launched to involve the Board of Directors and the Managerial Committee in the Group's ESG path. On 10 July, an initial induction session was held by the Managerial Committee and the Board of Directors on the materiality of sustainability in the business model, an overview of relevant ESG issues for the Group, and a focus on the new European CSRD regulations. Subsequently, the Managerial Committee was involved in the process of financial materiality through nine workshops with the CEOs of the Group companies belonging to the various business areas. On 16 September, a second induction was held to further examine ESG issues, in particular on the roles and responsibilities of the Board of Directors with respect to the provisions of the Italian decree implementing the CSRD, as well as an illustration of the results of the dual materiality process. In addition, during the Parent Company's Business Review of 13 November 2024, the outcome of the dual materiality matrix was presented to the Group's management.

During 2025, the Board of Directors and the Managerial Committee will again be involved through specific induction sessions and, during the Parent Company's Business Reviews, the Boards of Directors and the Board of Statutory Auditors will be updated on the material IROs, on the enforcement of due diligence and the results obtained, as well as the effectiveness of the policies, actions, metrics and targets adopted to address them.

The establishment of the new Group ESG Committee will also strengthen the ESG internal control system through the definition of ad hoc tools for monitoring the ESG strategy, with the collaboration of the Internal Audit Department. In addition, the ESG Department will collaborate with the Group's Business Units and the QSA Department by providing strategies, guidelines, technical and communication indications in relation to sustainability projects, supporting them in the development of new opportunities and verifying compliance with the regulations of the services offered in terms of ESG impacts.

The Board of Directors has reviewed the material impacts, risks and opportunities for the Group and has resolved to approve the double materiality analysis conducted by Dolomiti Energia Holding SpA, as a reference for sustainability reporting and for the integration of ESG factors into the corporate strategy.

GOV-3 INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

During 2024, variable remuneration was linked to economic-financial and operational performance metrics, without explicit ESG targets. Starting from 2025, the Group decided to integrate ESG targets into the management and Chief Executive Officer incentive scheme. In particular, in the Management by Objectives (MBO) plan for the year 2025, a common target linked to sustainability issues will be introduced, aimed at strengthening the company's commitment in the environmental and social spheres.

GOV-4 STATEMENT ON DUE DILIGENCE

With regard to the environmental and social spheres, the table below maps the sections of the report in which this statement refers to due diligence processes.

With reference to human rights, the processes are developed in consideration of international principles and guidelines, in accordance with the Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labour Organisation, ILO Conventions and the International Bill of Human Rights.

In the future, the due diligence processes will be further focused in order to promptly comply with the CSDDD (EU Corporate Sustainability Due Diligence Directive).

FUNDAMENTAL ELEMENTS OF DUE DILIGENCE	SECTIONS IN THE SUSTAINABILITY STATEMENTS
a) Integrating due diligence into governance, strategy and business model	ESRS 2 GOV-1 ESRS 2 GOV-2 ESRS 2 GOV-3 ESRS 2 SBM-3
b) Engaging stakeholders in all key phases of due diligence	ESRS 2 SBM-2 ESRS 2 IRO-1 S1-2 S4-2
c) Identifying and assessing negative impacts	MDR-A MDR - P SBM 3 E1-2 E1-3 E3-1 E3-2 E5-1 E5-2 S1-1 S1-3 S1-4 S4-1 S4-3 S4-4 G1-1
d) Taking action to address negative impacts	MDR-A MDR - P SBM 3 E1-2 E1-3 E3-1 E3-2 E5-1 E5-2 S1-1 S1-3 S1-4 S4-1 S4-3 S4-4 G1-1
e) Monitoring the effectiveness of interventions and communicating	MDR-M MDR-T E1-4 E1-5 E1-6 E1-7 E3-3 E3-4 E5-3 E5-4 E5-5 S1-5 S1-6 S1-8 S1-9 S1-10 S1-11 S1-12 S1-13 S1-14 S1-15 S1-16 S1-17 S4-5 G1-4 Entity-specific metrics

GOV-5 RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

In the Group's 2024 Risk Assessment carried out by the Internal Audit Department, a risk related to sustainability reporting was identified. In particular, the risk of non-compliance with European regulations on sustainability was identified.

The methodology adopted to assess the risks considers two elements: the likelihood of occurrence of the risk event and the impact of the event from a reputational, economic and financial point of view and on ESG aspects (environment, people, governance). Both likelihood and impact are assessed taking into account the controls implemented by the Group in order to mitigate/prevent/manage the risk. In light of these controls, the risk of non-compliance with European regulations on sustainability was assigned a moderate/low assessment level. The risk mapping is recorded in the risk register underlying the Group's Internal Audit Plan and is reported in the annual planning to the BoD of Dolomiti Energia Holding S.p.A. (DEH) with only the risks assessed as moderate, high and very high.

To mitigate the risk identified, the Group ESG Department was established under the Chairmanship, with the task of managing and developing sustainability projects, including the publication of the this statement compliant with the CSRD. In addition, the Dolomiti Energia Group (DEG) purchased ESG software to support the collection of all information regarding the Group's sustainability performance and the preparation of the Sustainability Statement compliant with CSRD and ESRS. Thanks to the software, the Group effectively monitors that all information communicated is accurate and complete. Another positive aspect of the software is that it facilitates collaboration between the various company departments, improving transparency and operational efficiency. The input and approval of all data, both qualitative and quantitative, follows a precise approval flow, as the two roles of contributor and approver have been defined for each data requested. The definition of roles within the software is fundamental for its management and guarantee that the data approval flow is robust, also thanks to the positive aspect of having everything within the same platform.

During 2025, internal controls are expected to be strengthened with the identification, integration and formalisation of additional first, second and third-level controls on ESG risk management controls. The focus will be on the role of the Internal Audit Department in this statement and in line with the International Professional Practices Framework for Internal Auditors.

Every six months, the Board of Directors receives the half-yearly progress report on the internal audit plan, which audits the adequacy and effectiveness of the Group governance, risk management and control system. In the report, the Board is informed of any critical issues - in terms of adequacy or effectiveness of the risk management controls in place - emerging from the audits. In addition, on completion of each audit task the manager of the function audited and top management are informed of any critical issues and the remediation plan to be implemented. The remediation plans are monitored and tracked.

STRATEGY

SBM-1 STRATEGY, BUSINESS MODEL AND VALUE CHAIN

The Dolomiti Energia Group (DEG) operates in various sectors, covering the entire energy production chain. Its activities include the production, distribution and marketing of clean electricity, the distribution and marketing of gas, cogeneration and district heating. In addition, the Group manages the integrated water service, which includes drinking water and sewerage, and environmental services such as waste collection and disposal, street sweeping and laboratory analyses. The Group is also active in trading, public lighting services, energy efficiency of homes, businesses and infrastructures, photovoltaic power and electric mobility.

As also indicated in section "8.6 Personnel costs" of the Dolomiti Energia Group Consolidated Financial Statements, as at 31 December 2024 there were 1,634 Group employees. All the employees are in service in Italy.

The net revenue and other income totalled 2,344,849 thousand euro, as stated in the section "Consolidated Comprehensive Income Statement" in the Consolidated Financial Statements of the Dolomiti Energia Group.
Below is an overview of all the services offered by the Group.

ENERGY PRODUCTION

HYDROELECTRICITY

The production of hydroelectricity plays a crucial role in protecting the environment, as it reduces greenhouse gas emissions and limits the use of sources with greater ecological impact.

The water is withdrawn from rivers and streams according to a quantity established by the granting authority and such as not to damage the surrounding ecosystems; it is conveyed through tunnels and canals to the hydroelectric power plants. Here it sets the hydraulic machinery in motion, through which the electricity that also lights up our homes is produced. The water is then returned to the environment without having been altered.

The Group plays a leading role in the operations of the hydroelectric power plants located in the Trentino-Alto Adige and Veneto regions. Their management includes preventive and corrective maintenance and optimising the energy efficiency of the plants themselves. The main users are the inhabitants of local communities, public bodies and companies that benefit from the energy produced; regardless, the energy is made available to all users, even far away.

In the plants' management, the Group favours design choices that respect the environment and the territory where the communities live, involving stakeholders in strategic choices.

The value chain in hydroelectric power plant management includes different phases, from the design and construction of the plants to their operations and maintenance. The main types of suppliers include companies specialising in hydroelectric components, engineering services and technical consulting. The Group also collaborates with other energy companies and research and development entities. Relationships with these partners are often based on long-term contracts and strategic partnerships to ensure the sustainability and efficiency of the service offered.

WIND ENERGY

In 2024, DEG was determined to pursue its strategy of expanding production capacity from renewable sources, with particular regard to wind and photovoltaic technology. A special department was created during the year, the Renewable Energy Department, with the aim of supporting M&A operations in the wind and photovoltaic sector from a technical point of view and providing the technical support necessary for managing the plants in operation.

The department thus established represents the business unit dedicated to the sector market, which interfaces with all stakeholders, both outside and inside the DEG. The services offered by the department range from the preliminary assessment and development of greenfield plant projects, to the assessment of plant projects already authorised by third parties or plants already in operation. The process also involves support for M&A initiatives, typical for the acquisition of asset companies and subsequent taking charge of the company purchased and related plants (assets), as well as specific industrial development agreements.
In doing so, the DEG is preparing to considerably expand its offer in terms of energy generated by renewable sources in future years, accompanying its presence throughout the country with the attention and commitment that has always distinguished the DEG towards the territories and communities that host the plants.

The development, construction and operation of wind and photovoltaic plants involves a multitude of players: professionals, local companies, suppliers of industrial components and specific machinery, which all together contribute to the economic growth of the territories, not only limited to the development and construction phase, but above all for the entire useful life of the plant through their maintenance and operation in compliance with safety and performance standards.

PHOTOVOLTAIC ENERGY

DEG also produces energy through photovoltaic plants currently installed in Rovereto, Preore, Torbole and Trento. The Group recently decided to create a new Business Unit with the aim of evaluating, acquiring, developing and building new large-scale photovoltaic plants. With regard to photovoltaic development, the Business Unit is dedicated to plant construction and management, promoting sustainable development strategies and ensuring compliance with company processes. Photovoltaic energy plays an essential role in reducing greenhouse gas emissions and in the transition to a more sustainable energy model. The photovoltaic modules capture solar energy and convert it into electricity through inverters, without emissions or the consumption of natural resources. All the plants are located in Italy and the energy produced is fed into the grid, guaranteeing a stable, sustainable supply. The Group is a leading player in the operations of photovoltaic plants on a national scale, dealing with preventive and corrective maintenance, as well as the optimisation of production. The value chain includes the entire life cycle of the plants, from design and installation up to management and maintenance. The Business Unit collaborates with specialised suppliers, including manufacturers of photovoltaic modules, inverters and support structures, as well as engineering companies, general contractors and technical consulting companies. In synergy with industrial partners, it supports the development of new initiatives, acquisitions and strategic partnerships. The plants are managed while respecting the environment and the landscape, actively involving stakeholders in strategic decisions. By closely controlling times, costs and resources, the Business Unit guarantees high standards of efficiency and safety, contributing to the energy transition and creating sustainable value in the long term.

COGENERATION

Novareti S.p.A. (Novareti), part of the DEG, is active in the cogeneration and district heating/cooling sector in Trentino, offering efficient and sustainable energy solutions. In fact, Novareti manages cogeneration plants in Trento and Rovereto, where it uses natural gas to simultaneously produce electricity and thermal energy. This process optimises energy efficiency, reducing fuel consumption and $CO2$ emissions. The thermal energy produced is then used for district heating and for cooling the utilities served, ensuring maximum use of the energy generated. District heating distributes the heat produced centrally through a network of pipes to different utilities, allowing efficient heating and low energy losses; it also involves district cooling, which extends the concept of district heating to offer solutions for cooling rooms, improving comfort in hot weather.

THERMOELECTRICITY

The Group holds a 5% shareholding in a thermoelectric production plant in Ponti sul Mincio. The thermal energy generated by the combustion of fuel is transformed into mechanical energy and then electricity through the alternator.

DISTRIBUTION AND NETWORK SERVICES

ELECTRICITY DISTRIBUTION

SET Distribuzione S.p.A. (SET) deals with the distribution and measurement of the electricity withdrawn by users and supplied by producers into the medium and low voltage networks. The electricity withdrawn from the transmission network managed at national level by Terna is distributed in most of the territory of the Province of Trento through a network consisting of primary transformer substations, overhead and underground medium and low voltage lines and area substations. The main objective of the company is to guarantee a reliable connection to all users connected to the network (homes, services, crafts and industry, energy producers), investing in the continuous modernisation of the networks to make them more resilient and reduce the number and duration of interruptions, also thanks to the automatic selection of faults. An advanced remote management system makes it possible to remotely read all the new generation meters, as well as allow the almost immediate execution of the main commercial orders such as activation, deactivation and change of power. The requests of users requiring a new connection for withdrawal or supply (producers) are met promptly through a commercial structure located throughout the territory. The construction of new plants and the renewal of existing plants is guaranteed through an internal technical structure and the support of a group of qualified suppliers who mainly deal with excavation works, laying pipes and cables and building secondary substations.

Every year, the company undertakes to reduce the impact of its plants on the environment through a programme to gradually reduce the number of transformation stations on poles and overhead lines, especially in wooded areas. Particular attention is also paid to the timely management of any environmental incidents, such as oil spills from transformers, to ensure efficient and decisive management.

GAS DISTRIBUTION

Novareti S.p.A. (Novareti) is the natural gas distributor that ensures the distribution and delivery of gas to end-users such as homes, companies and industries through a widespread network of infrastructures in various municipalities in the Province of Trento, as well as in the provinces of Bolzano and Verona. Novareti's activities include the management, maintenance and development of the distribution network, which extends for approximately 2,700 km in the Trentino area and in some neighbouring areas. The company is responsible for the construction of new pipelines, the enhancement of the existing network and plant maintenance to guarantee continuous, reliable service. A fundamental aspect of Novareti's work is controlling network safety. The company carries out regular monitoring to identify and prevent any gas leaks, thus reducing the risk of accidents. Thanks to advanced technologies and careful surveillance, the company ensures maximum plant safety and protects both citizens and the environment. Another key activity is the measurement and regulation of gas, which takes place through reduction and measurement cabins (RE.MI), fundamental structures to ensure that gas is distributed at an adequate pressure. Recently, Novareti commissioned a new RE.MI substation in the municipality of Giovo, improving the quality and continuity of service in eastern Trentino. Lastly, Novareti manages the activation, suspension and management of supplies. At the request of the gas suppliers, the company carries out interventions on the meters, activates or deactivates the utilities and ensures that consumption is measured accurately. Thanks to these activities, Novareti plays an essential role in ensuring that natural gas reaches homes and businesses in the area, contributing to developing an efficient and sustainable energy system.

With the aim of optimising the service, guaranteeing the highest levels of quality during both working hours and during on-call service, Novareti periodically organises training courses to increase internal skills and guarantee the continuous updating of technical and operational personnel. Novareti also collaborates with companies and professionals to carry out time-consuming or highly specialised activities, with multi-year service contracts.

The design for the construction and revamping of the plants is mainly followed by the internal "Engineering" Department.

The construction of new works is entrusted via tenders in synergy with the Procurement Department of the Holding, selecting suppliers with technical qualification procedures, aimed at ensuring the presence of stakeholders who comply with the Group's sustainability policies.

The purchase of electricity for the auxiliary technical services necessary for gas distribution is regulated by intercompany service contracts with Dolomiti Energia (DE), which certifies its green origin.

LIQUEFIED NATURAL GAS (LNG)

Through the subsidiary Dolomiti GNL Srl, (Dolomiti GNL), the DEG is active in the design, construction and management of Liquefied Natural Gas (LNG) plants that include cryogenic storage tanks, gasification systems and local distribution networks.
The solutions provided by the company make it possible to serve users not yet reached by the natural gas distribution network, contributing to the process of reducing carbon dioxide, sulphur dioxide and nitrogen oxide emissions.
Dolomiti GNL is active in Trentino and, through the improvement of its services and the optimisation of the value chain in line with the Group's guidelines, it serves both industrial plants and areas and homes for civil use.

WATER CYCLE

The DEG company Novareti manages the entire integrated water services, excluding purification. As water manager, it manages the withdrawal of water from springs and aquifers, making it drinkable and distributing it through a system of networks and aqueducts in various municipalities located mainly along the Adige Valley. Through a water network of over 1,400 km, Novareti distributes approximately 27 million cubic metres of water annually. The main supply sources include surface springs, which provide about 70% of the water, while the remaining 30% comes from underground aquifers reached through wells or extraction tunnels. The key points of the assets are monitored 24 hours a day through a remote control system that verifies the correct functioning of networks and plants. Users can use the Emergency Service, which is always active and reachable. In addition, the company provides customers with a reserved area, myNovareti, through which it is possible to manage applications such as connection requests, meter switches and reports.

The Novareti Water Service Charter outlines the company's commitments to users, specifying quality standards, customer rights and obligations, as well as the methods of accessing the services offered.

To ensure an optimal service, the company collaborates with companies and specialised third-party professionals. There are also synergies between the DEG companies; the main service contracts in force with the DEG companies are detailed below:

- Service contracts signed between Novareti and Dolomiti Energia Holding (DEH): the contract regulates common general services (management and corporate, procurement, communication, finance, planning and development, quality, safety and environment, human resources, secretariat and insurance, IT) and logistics (use of space, telephony, hardware and software) provided by the Parent Company;
- Service contracts stipulated between Novareti and SET: regulates the common remote control, measurements, cartography, SIR (Network Information System) and quality services between the two ownership structures.

SALE OF ENERGY AND GAS

Dolomiti Energia S.p.A. (DE) is the commercial company of the DEG that supports citizens and companies in a path of sustainability, offering them a supply of 100% clean energy certified with Guarantees of Origin, produced from renewable sources ('100% energia pulita Dolomiti Energia'), natural gas, where it is also possible to offset the CO2 emitted by its use ('Gas 100% Compensa CO2 Dolomiti Energia'), energy efficiency services to reduce consumption and/or move in a sustainable way, connectivity services and VAS (value-added services).

Thanks to a vertical integration of the production chain, the procurement of gas and energy takes place through a specific Group company: Dolomiti Energia Trading (DET), which is responsible for optimising the portfolio of electricity, natural gas and environmental certificates on the wholesale markets, while multi-year collaborations with consolidated external partners allow DE to complete its offer also with energy efficiency services, from relamping to power quality solutions, as well as value services that accompany the supply of energy and gas, such as assistance technique for boiler failures or minor maintenance in the home.

With a network of hundreds of commercial collaborators and several stores throughout the country, DE offers its services throughout Italy.

DE also offers personalised tariff plans, suited to the different needs of households and businesses. For business customers and those with high consumption, personalised consulting services are provided, with tailor-made tariff plans. For trade associations and organisations (retirement homes, craft workshops, hoteliers, etc.), framework agreements are stipulated to offer competitive tariffs and simplified negotiation procedures.

ENVIRONMENTAL SERVICES: FROM COLLECTION TO SWEEPING

Dolomiti Ambiente Srl (DA) is the Group company that deals with municipal waste collection, street sweeping and the management of material collection centres in the municipalities of Trento, Rovereto and Vallagarina.

The company is committed to adopting innovative and sustainable solutions for waste management, reducing environmental impact and promoting greater awareness among citizens of the importance of proper waste collection. Specifically, it is responsible for the door-to-door collection of municipal waste, sending it mainly for recovery and only minimally for disposal, cleaning of public areas on behalf of local administrations, collecting of bulky waste on request, and on a residual basis, the collection and conveyance to special waste treatment centres. Separate waste is sent for recovery through specialised platforms and sectoral supply chains, also thanks to agreements with consortia belonging to Conai and with private operators.

DA implements monitoring initiatives to control the quality of the waste collected and, when possible, provides timely feedback to customers to improve the accuracy of separate waste collection through communication campaigns and controls.

SMART SERVICES

Through Dolomiti Energia Solutions Srl (DES) and EPQ, the Group offers services and products related to energy sustainability and efficiency, with the ambitious aim of providing its customers with optimal and resource-friendly solutions. In particular, the Group offers energy efficiency potential assessment services for the industrial and residential sectors, and proposes energy recovery measures (such as, for example, the relamping of traditional public lighting systems with latest generation LEDs and the revamping of buildings and thermal power plants), renovating existing energy plants to keep them fully efficient and, when possible, enhance and optimise their performance.

The smart services offered also include Power Quality activities on electrical parameters and energy quality, i.e., energy audits and consumption monitoring, as well as the construction of photovoltaic plants for companies and private individuals with a turnkey formula.

Another activity carried out consists of the combination of consumption, generation and storage resources, to offer flexibility services for managing demand flows to national and local network operators.

High energy consumption companies are offered support in their strategic activities, helping them to maximise the value of their energy assets also in light of the opportunities offered by regulatory and market developments.

Finally, the Group is engaged in the development of local energy communities and, through its shareholding in Neogy (excluded from the Group's scope of consolidation), in the implementation of a network of electric charging points for electric cars and bicycles.

The main customers of reference are public administrations, private entities such as small and medium-sized industries and non-domestic residential buildings (condominiums) in northern Italy.

The company DES relies on specialised suppliers who work for the Group, leveraging economies of scale for the purchase of materials. In addition, it operates as a general contractor, coordinating all the companies and activities necessary for the implementation of an efficiency project. As sales channels, it uses the reports that arrive through the sales network of its commercial sister company DE and the network of business brokers and reporters of DES.

LABORATORY

The DEH laboratory specialises in chemical and microbiology analysis, quality controls on water for human consumption, surface water and groundwater, bathing water and wastewater. It also analyses soil, waste and network gas.

The laboratory provides its analysis services to the Group companies and to numerous external customers, including: Trentino municipalities, public and private companies, private citizens.

The Laboratory operates using a quality management system accredited for 25 years, in particular supporting water supply management customers in monitoring and measuring the quality and safety of water for human consumption in reference to the benchmarks envisaged by law.

The Laboratory is accredited by the Italian body ACCREDIA, which confirms its expertise, independence and impartiality in accordance with international standard UNI CEI EN ISO/IEC 17025:2018.

The Laboratory's adopted Quality Policy is available on the web site. It states its strategy and commitment to interested parties.

The interaction of the Laboratory with the value chain is along the entire procurement process chain, which primarily involves the suppliers of test equipment, reference materials and consumables, maintenance services and equipment calibration, services to organise interlaboratory tests, staff training and education, accreditation services, IT services for LIMS management, cleaning services and waste transport/disposal/recycling services.

The output from Laboratory activities consists in Test Reports that are provided to customers in electronic format only.

NEW ACQUISITIONS AND PARTNERSHIPS IN 2024

During 2024, the Group consolidated the business model by concluding important extraordinary transactions as envisaged in the 2023-2027 Business Plan.

- In September, the DEG and Macquaire Asset Management finalised the sale of a share of Hydro Dolomiti Energia (HDE) held by Macquarie European Infrastructure Fund 4, equal to 40% of the share capital. The agreement, which was cleared by Golden Power and the Antitrust Authority, is valued at 401.5 million euros, with approximately 366.5 million euros paid in consideration. Upon completion of the transaction, DEG, which already holds the remaining 60%, will own 100% of HDE. The agreement reached finalises eight years of fruitful collaboration between Macquaire Asset Management and the DEG. Almost a decade characterised by a common vision in facing challenges and exploring new opportunities that have contributed to achieving significant synergies and results, in every phase.
- In December, the DEG and the IVPC Group finalised signing for the creation of a strategic partnership, anticipated by a binding offer signed in October. The agreement aims to optimise synergies between the two Groups, integrating their respective skills to foster mutual growth and generate value for all stakeholders involved. Having satisfied the conditions precedent that are typical of transactions of this nature, including Antitrust authorisation, Golden Power authorisation and EIB waiver, the transaction was finalised in early 2025. The Enterprise Value relating to the scope of the transaction is around 179 million euros.

  The entry of the DEG into the capital of some companies of the IVPC Group that hold assets and are specialised in developing, managing and maintaining wind and photovoltaic plants, also on behalf of third parties, will open up new opportunities for growth and synergies between the two Groups. The partnership includes approximately 66 MW of wind and photovoltaic plants already in operation, in addition to 30 MW currently under construction, all distributed in southern Italy. These are augmented by a pipeline of additional projects for approximately 867 MW, split into different development phases, with approximately 72 MW already authorised and another 212 MW at an advanced phase of authorisation. The parties will proceed with the development of new projects in the field of renewable energy as well as explore further synergies and new initiatives in territorial areas where both are already present, also creating significant opportunities for expansion for other businesses beyond the traditional reference areas.
- Also in December, the DEG and the EPICO Group signed the purchase agreement for the acquisition of 100% of the share capital of Hydrowatt SHP Srl. Once the necessary authorisations were obtained and the conditions precedent were met, the transaction was concluded at the beginning of 2025. The Enterprise Value related to the scope of the transaction is equal to 15 million euros, also considering future earnings linked to two plants not yet in operation. The operation comprises 14 photovoltaic plants located in Marche, Abruzzo, Lazio and Molise, with a total capacity of 13.1 MW. With the acquired plants, the Group intends to evaluate the possibility of participating in the remote self-consumption scheme with energy-intensive companies. The objective is to enhance the Group's synergies by generating innovative services for the energy transition.

As described in more detail in section SBM-3, during 2025 the Group will adopt a new Business Plan integrated with the ESG Strategy (which is currently in line with the current Business Plan).

THE VALUE CHAIN AND THE GROUP'S STAKEHOLDERS

The DEG business model is based on the diversification of renewable production sources and on integrated assets along the entire energy, water and waste value chain. This approach aims to ensure the Group's solidity and generate value for stakeholders and the local area.

The Group operates within a complex value chain, typical of a multiutility with different business areas, which involves different activities and stakeholders both upstream and downstream.

Upstream operations include the procurement of energy raw materials and the provision of services, managed through a network of suppliers selected according to pre-established criteria. A significant portion of the expenditure (59.85%) is intended for local suppliers in the province of Trento, favouring the speed of maintenance operations and reducing the environmental impacts related to transport.

The Group stands out for its human capital, with over 1,600 employees who contribute daily to the creation of value, following the company principles. In addition, it maintains partnerships with research institutes, universities and numerous associations, supporting local projects through fundraising initiatives. Public and private shareholders play a crucial role in providing the capital necessary to finance strategic operations and investments, supporting and guiding the Group's growth path.

Downstream, the Group caters to a wide range of customers, including citizens, companies and public administrations in Trentino and on a national scale, also making use of the presence of commercial partners such as sales agents operating directly in the territories.

To date, the Group mainly operates within the autonomous province of Trento, however, it is expected to expand its activities to other territories, continuing to maintain the business model, values and engagement methods with the value chain described in this document.

SBM-2 INTERESTS AND VIEWS OF STAKEHOLDERS

The creation of value for the community, which is a main objective of the Group's, can only start from engaging and listening to its stakeholders. Investing in the construction of correct, transparent and continuous dialogue allows for the early detection of possible criticalities and for conscious and shared decision-making.

As a consequence of the very nature of the Dolomiti Energia Group (DEG), the roles of the various stakeholders often have blurred boundaries, so much so that employees, citizens and suppliers are often also customers, and in some cases institutions also have the dual function of shareholders. The main categories of Group stakeholders are listed below: shareholders, the community, human resources, suppliers, investors, customers, partners, institutions, environment, media and competitors.

The main types of Group stakeholders, engagement methods and existing dialogue channels for each of them are shown below:


SHAREHOLDERS
Public shareholders
Private shareholders
Financial communities
COMMUNITIES
Future generations
Citizens
Local associations
Local communities directly affected by the presence of facilities
HUMAN RESOURCES
Employees
Trade union bodies
Freelancers
SECTORAL COMPANIES/ COMPETITORS
INVESTORS
Financial institutions
Gruppo Dolomiti energia
SUPPLIERS
Suppliers of labour, goods and services
Suppliers of energy raw materials
MEDIA
Both local and national, traditional and web information providers
CUSTOMERS
Residential customers
Business customers
Consumer associations
Associations with which a partnership has been set up
Public service users
INSTITUTIONS
Supervisory bodies
State administrations
Local bodies
Regulatory bodies
Universities
Municipalities
Trade Associations
ENVIRONMENT
Environmental associations
Natural context on which the Group's activities have an impact
Future generations
Relevant institutional representatives

Stakeholder	EXPECTATIONS AND INTERESTS	DIALOGUE CHANNELS
HUMAN RE-SOURCES	• home-work mobility • continuous training projects • corporate plans on relevant topics • occupational health and safety • work-life balance • job stability • remuneration and benefits • internal communication	• interviews and climate surveys • internal company events • meetings with employees • meetings with trade union representatives • channels for reporting • HR department activities
SHAREHOLDERS	• economic results • honesty • management of activities • protection of reputation • ordinary and extraordinary financial transactions	• one-to-one meetings • phone calls • financial statements • institutional meetings • shareholders' meeting • publication on website and circulation to the media of communications on all economically significant company events (approval of financial statements, major operations)
COMMUNITY	• corporate activities • value added created for the territory • environmental protection • support for local initiatives • environmental fees • hydroelectric fees • responsible and sustainable management	• public meetings • open doors and guided plant tours • participation in conferences • participation in research projects • participation in and support for local social and cultural events • communications • direct contact • website
INVESTORS	• relationship continuity • capital strength • creditworthiness • support for business growth	• one-to-one interviews • technical round tables • plant tours • analysis of accounting data • Finance department activities • website • financial statements
CUSTOMERS	• quality of commercial service • reports and complaints • fine-tuning of Group products • commercial transparency and honesty • complaint management • listening • product sustainability • safety of services • compliance with regulations and legislation • tariffs • prices	• agents • correspondence • periodic meetings • pre-sales consultancy • after-sales services • meetings and information activities • direct contacts at events and in branches • daily monitoring of the media • direct mailing • call centre • Customer Care department activities and relations

SUPPLIERS

- relationship continuity
- terms of payment
- qualification
- equal access
- treatment

- periodic meetings
- online qualification
- e-procurement platform
- procurement department activities and relations

INSTITUTIONS

- observance of authorisation, environmental and safety aspects
- employment for the territory
- running of managed services
- hydroelectric fees
- environmental fees
- tax contribution
- linked industry
- investments

- technical round tables
- one-to-one meetings with authorities and institutional offices
- participation in research projects
- participation in trade association work and themed committees
- communication

COMPANIES OF THE SAME SECTOR/COMPETITORS

- collaboration in solving common issues and promoting sector policies
- strengthening of relations also in terms of collaboration

- participation in trade association work and themed committees
- one-to-one meetings

MEDIA

- transparency
- punctual and timely communications

- press conferences
- press releases
- phone calls
- press presentations
- direct contact
- interviews and participation
- programmes
- Communication department activities

ENVIRONMENT

- atmospheric emissions of production activities
- use of depletable fossil resources
- environmental protection
- environmental fees
- energy and water savings
- separate waste collection
- drinking water quality
- water network leaks

- awareness-raising and information-sharing activities on environmental issues, water and energy savings, tap water quality and separate waste collection
- participation in trade round tables
- EMAS certification of production plants
- communication of results and support for the industrialisation of research projects in the environmental field, to identify energy solutions to help safeguard the environment;
- activities to identify and prevent water network leaks

As can be seen, various communication, listening, dialogue and partnership methods are in place for each stakeholder category, such as customer satisfaction surveys, press review monitoring, discussions with institutional clients, and meetings with the financial community. These are carried out at variable intervals and are aimed at identifying and understanding stakeholder expectations, which form an element that contributes to defining Group strategies; business actions are consequently articulated, with the objective of improving the socio-environmental impact of Group activities on a day-to-day basis.

Through awareness-raising, disclosure and active participation in the area, we are committed to informing and involving our stakeholders on environmental issues and good practices for the responsible use of resources. We promote information and awareness-raising content on environmental and sustainability issues, including:

- Energy saving and renewable sources, energy transition and a more informed consumption model;
- Water quality and protection of water resources, with educational content on the responsible use and safety of tap water;
- Separate waste collection and circular economy, to encourage the correct disposal of waste and reduce the environmental impact in the municipalities where we manage the urban hygiene service.

These activities are developed through information materials, digital content, thematic events and initiatives and partnerships with local and national partners.

In addition, to promote transparency with citizens and stakeholders, we organise:

- Open days and plant visits to show the operation of infrastructure, illustrate the results achieved and share the certifications obtained in the environmental and energy fields;
- Public meetings and participation in conferences, to promote the debate on sustainability and innovation topics in the energy sector;
- Support and participation in local events, to strengthen our bond with the community and actively contribute to its development;

- We use various communication tools to make information accessible and encourage the active involvement of citizens and customers:
- Company website and social channels, updated with news, insights, reports and information on our initiatives;
- Events and digital campaigns, to raise public awareness through participatory and dissemination content.

Stakeholder feedback is carefully analysed and integrated into decision-making processes to improve strategies, products and services. Through continuous dialogue, the company ensures that stakeholder needs and expectations are considered, favouring transparency, innovation and sustainability. In fact, stakeholder engagement does not end with communication and awareness-raising activities, but represents a continuous process of listening and improvement. The results of this engagement are evaluated and integrated into our actions; based on the feedback received, we modify or expand the topics covered in our communication activities.

In particular, as described in the previous sections, during Q3 2024, the Group began activities to engage its stakeholders in the context of the dual materiality analysis. Various stakeholder categories were engaged, including banks and financial institutions, suppliers and customers, members of the Parent Company's Board of Directors and Board of Statutory Auditors, employees, trade unions and trade associations, institutions and public bodies, shareholders, industrial partners, environmental associations and park authorities, as well as the renewed engagement of employees. Their engagement took place through the use of a survey.

The administrative, management and supervisory bodies were informed about the opinions, expectations and interests of stakeholders during the induction sessions, during meetings of the Boards of Directors and Boards of Statutory Auditors, in order to promote a more informed decision-making process in line with the interests of all parties involved.

The stakeholder dialogue process has helped to consolidate and strengthen the Group's management while maintaining the focus on innovation, sustainability and long-term growth. Thanks to the process described and the stakeholder engagement, no significant changes are planned for the Group strategy and business model.

SBM-3 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The dual materiality process undertaken by the Dolomiti Energia Group (DEG) led to the identification of 32 material IROs. Below is the complete report of all the material IROs for the Group, described in detail in the following sections of the document.

Material positive impacts

	Positive impacts	Time horizon	Associated material topic	Position in the value chain
1	Effective waste recovery and recycling activities with consequent reduction of environmental impacts, also with a view to circular economy (CURRENT)	Short Medium Long	Responsible and sustainable waste management (ESRS E5)	Own operations
2	Constant supply of drinking water to the affected communities, through continuous monitoring of network performance with a view to reducing losses and guaranteeing quality/potability (CURRENT)	Short Medium Long	Sustainable management and protection of water quality (ESRS E3)	Own operations
3	Improvement of the level of urban cleanliness and municipal sanitation through efficient management of sweeping and waste collection services (CURRENT)	Short Medium Long	Responsible and sustainable waste management (ESRS E5)	Own operations
4	Promotion of the well-being and inclusion of Group employees through initiatives aimed at supporting respect for diversity and work-life balance (CURRENT)	Short Medium Long	Well-being, diversity and inclusion (ESRS S1)	Own operations
5	Quality, safe, reliable and affordable services, with adequate levels of assistance and usable and effective customer care services (CURRENT)	Short Medium Long	Quality, safety, continuity and accessibility of products and services (ESRS S4)	Downstream value chain
6	Improvement of the corporate climate and employee well-being resulting from the promotion of a shared vision of the Group's values and ethical principles (CURRENT)	Short Medium Long	Well-being, diversity and inclusion (ESRS S1)	Own operations
7	Promotion and dissemination of the principles of environmental, social and governance sustainability in the value chain (e.g., through the inclusion of ESG requirements in supplier selection and qualification) (CURRENT)	Short Medium Long	Sustainable development strategy (ESRS G1)	Upstream e downstream value chain
8	Continuous professional development of Group employees through training programmes and professional growth paths (CURRENT)	Short Medium Long	Training and professional development (ESRS S1)	Own operations
9	Mitigation of climate change through the production of energy from renewable sources and the offer of products and services aimed at promoting the energy transition (CURRENT)	Short Medium Long	Energy transition and the fight against climate change (ESRS E1)	Own operations
10	Contribution to the socio-economic development of the communities where the Group operates by supporting cultural and sporting events through donations and sponsorships (CURRENT)	Short Medium Long	Stakeholder dialogue and support for community development (ESRS G1)	Downstream value chain

LEGEND ESG NATURE

Environmental Social Governance

Material negative impacts

	Negative impacts	Time horizon	Associated material topic	Position in the value chain
1	Incidents of interruption in the supply of drinking water to communities due to accidents or natural disasters (POTENTIAL)	Short Medium	Sustainable management and protection of water quality (ESRS E3)	Own operations
2	Emission of greenhouse gases into the atmosphere during the activities of the Dolomiti Energia Group and along the value chain (Scope 1, 2 and 3) (CURRENT)	Short Medium Long	Energy transition and the fight against climate change (ESRS E1)	Own operations Upstream & downstream value chain

LEGEND ESG NATURE

Environmental Social Governance

Material risks

	Risks	Time horizon	Associated material topic	Position in the value chain
1	Failure to adopt innovative digital solutions (e.g., AI) that streamline processes and provide a modern and stimulating work environment, with a consequent reduction in talent attraction and retention and lower operational efficiency	Short Medium	Innovation and digitalisation (Entity specific)	Own operations
2	Reputational damage, sanctions and exposure to disputes and compensation for incidents of gas leaks into the atmosphere due to malfunctions of the Group's plants (e.g., due to inadequate maintenance of gas pipelines; malicious tampering of infrastructures by third parties)	Short Medium	Energy transition and the fight against climate change (ESRS E1)	Own operations
3	Exposure to disputes and compensation, reputational damages, decreased attraction and retention of talents due to episodes of limitation of the freedom of association and/or collective bargaining	Short Medium	Respect for human rights (ESRS S1)	Own operations
4	Difficulty in estimating customers consumption patterns due to the unpredictability of weather/climate conditions accentuated by climate change	Long	Energy transition and the fight against climate change (ESRS E1)	Own operations
5	Reputational damage and reduction in the possibility of winning public tenders and concessions due to a less competitive positioning on sustainability issues compared to other market players	Long	Ethics, integrity and transparency in business and governance (ESRS G1)	Own operations
6	Supplier non -compliance with the ESG requirements imposed by the Group with consequent reputational damage	Long	Sustainable development strategy (ESRS G1)	Upstream e downstream value chain
7	Tightening of the regulatory framework following green guidelines by national and European regulatory bodies, with higher operating expenses for the organisation (e.g., emission control mechanisms)	Long	Energy transition and the fight against climate change (ESRS E1)	Own operations

LEGEND ESG NATURE

Environmental Social Governance

Material opportunities

	Opportunities	Time horizon	Associated material topic	Position in the value chain
1	Promotion of a shared vision of the values and ethical principles of the Dolomiti Energia Group with a consequent increase in talent attraction and retention	Short Medium	Well-being, diversity and inclusion (ESRS S1)	Own operations
2	Adoption of research, development and innovation programmes - involving employees and third parties (e.g., universities, idea incubators, etc.) - with a consequent increase in corporate reputation and employee engagement	Short Medium	Innovation and digitalisation (Entity specific)	Own operations
3	Increased demand for direct procurement models and flexibility services (Smart Services focus) on the push of regulations and public incentives systems in favour of renewable energy sources (e.g., Energy release, Fer X)	Short Medium	Energy transition and the fight against climate change (ESRS E1)	Own operations
4	Improvement of the Group's market positioning and increase in the customer base through effective management of Group communication, which shows the sustainability of the services offered to a public increasingly interested in ESG issues	Short Medium	Quality, safety, continuity and accessibility of products and services (ESRS S4)	Own operations
5	Extension/obtaining of new sustainability certifications in order to strengthen internal controls in the management of ESG issues and strengthen company credibility	Short Medium	Health and safety (ESRS S1)	Own operations
6	Increasing talent attraction and retention and improving worker satisfaction through the promotion and application of the principles of diversity, equity and inclusion (DEI)	Short Medium	Well-being, diversity and inclusion (ESRS S1)	Own operations
7	Increase in productivity, talent attraction and retention through the adoption of appropriate professional growth training plans	Short Medium	Training and professional development (ESRS S1)	Own operations
8	Increase in investments in improved/innovative technological solutions (e.g., hydroelectric power storage plants with pumping) aimed at improving the efficiency of production systems	Long	Energy transition and the fight against climate change (ESRS E1)	Own operations
9	Facilitated access to sources of loans (sustainable finance) in light of competitive sustainability performance	Long	Sustainable development strategy (ESRS G1)	Own operations
10	Competitive advantage of the Group compared to the players that produce energy from fossil sources in terms of lower costs/future investments necessary for the energy transition	Long	Energy transition and the fight against climate change (ESRS E1)	Own operations
11	Increased demand for energy from renewable sources (hydroelectric, photovoltaic and wind power) in light of regulations in favour of energy transition, with consequent investment opportunities	Long	Energy transition and the fight against climate change (ESRS E1)	Downstream value chain
12	Improvement of the Group's sustainability performance and resilience by strengthening ESG requirements in supplier selection and qualification	Long	Sustainable development strategy (ESRS G1)	Upstream/Downstream value chain
13	Increase in public and/or private investments in hydroelectric energy as the only modular and programmable renewable source with a consequent increase in CapEx and ancillary benefits, such as growth in participation in the capacity market, in MACSE and more generally the increase in capture price	Long	Energy transition and the fight against climate change (ESRS E1)	Own operations

LEGEND ESG NATURE

Environmental Social Governance

Overall, the material IROs concern the main activities of the Group's business model, namely all the transactions carried out by the companies within the Group's consolidated perimeter. Thanks to this strong link between the material IROs and the business model, IROs are managed continuously as part of daily business operations, through the policies and actions described in the following chapters.

During 2024, the Group took steps to define an ESG Strategy aimed at establishing measurable improvement targets related to the performance of mitigating negative impacts and material risks and the pursuit of positive impacts and material opportunities. The ESG Strategy definition process involved all business areas and the main company departments, which were engaged to identify the main activities carried out by the Group to manage the material IROs and to establish measurable targets to be pursued in the next few years.

During the year 2025, the Group will publish a new Business Plan, integrated with the ESG Strategy, in order to ensure the resilience of the business model within an organic framework of strategic coherence.

The ESG Strategy is structured on five building blocks:

- Promoting the energy transition and climate change resilience;
- Protecting the environment and natural resources;
- Promoting the sustainable development of territories and communities;
- Protecting and caring for our people;
- Ethical and sustainable governance.

The building blocks of the group's sustainability strategy

PROMOTING THE ENERGY TRANSITION AND CLIMATE CHANGE RESILIENCE	PROTECTING THE ENVIRONMENT AND NATURAL RESOURCES	PROMOTING THE SUSTAINABLE DEVELOPMENT OF TERRITORIES AND COMMUNITIES	PROTECTING AND CARING FOR OUR PEOPLE
Maintaining the Group's central role in the production and supply of green energy, in support of the decarbonisation process in Italy and guaranteeing the resilience of distribution networks	Promoting the sustainable management of water resources and separate waste collection as part of the circular economy, protecting biodiversity and preserving natural ecosystems.	Promoting the sustainable development of the territory, stimulating constructive dialogue with local communities and promoting actions and projects shared with the stakeholders of the territory.	Creating a safe working environment that values individual diversity, promoting equal opportunities and promoting work-life balance.

ETHICAL AND SUSTAINABLE GOVERNANCE

Developing a governance system that integrates sustainability into strategic decisions and guarantees ethical, transparent and future-oriented company management

Ambitions and strategic steering

PROMOTING THE ENERGY TRANSITION AND CLIMATE CHANGE RESILIENCE

Decarbonisation and support for the energy transition

- Consolidation of hydroelectric production and diversification of renewable sources (wind and photovoltaic)
- Progressive decarbonisation of the territories, through the development of networks and offers of energy sources with lower environmental impact
- Promoting services in the field of flexibility, self-production systems and energy management,
- Commitment to energy efficiency and decarbonisation of business operations

Continuous improvement of the reliability and resilience of the services offered

- Continuous improvement in the reliability of services and infrastructure resilience against the intensification of extreme natural events due to climate change

PROTECTING THE ENVIRONMENT AND NATURAL RESOURCES

Sustainable resource management

- Commitment to making distribution networks (i.e., electricity, gas) efficient through increased investments in maintenance and the adoption of new enabling technologies (e.g., sensors, remote control)
- Commitment to reducing resource consumption in business operations (e.g., paper, water)

Waste enhancement and promotion of the circular economy

- Improvement of the recovery process of secondary raw materials from waste
- Assessment of opportunities to expand the Group's role in integrated waste management in the reference area

PROMOTING THE SUSTAINABLE DEVELOPMENT OF TERRITORIES AND COMMUNITIES

Support for social inclusion projects

- Support for projects to promote social inclusion and the well-being of the territories where the Group operates (e.g. offers with a 'social' impact)

PROTECTING AND CARING FOR OUR PEOPLE

Protection of employee health and safety

- Guarantee of the highest level of safety for our workers and collaborators in the performance of activities

Promoting equal opportunities and employee well-being

- Promoting inclusion, diversity and equal opportunities
- Continuous improvement of employee well-being thanks to welfare, well-being and work-life balance programmes

Continuous employee training

- Continuous support for the professional growth of our employees through training programmes (upskilling/reskilling)

ETHICAL AND SUSTAINABLE GOVERNANCE

Strengthening ESG governance

- Formalisation of roles and responsibilities related to ESG issues
- Conducting ESG training courses
- Definition of MBOs associated with ESG objectives
- Raising the proportion of women in management bodies

Sustainable procurement

- Strengthening ESG requirements in the procurement process
- Strengthening human rights safeguards along the supply chain

Ethical conduct

- Continuous dissemination and promotion of the values contained in the Group's Code of Ethics towards employees and suppliers
- Adapting to regulatory developments and guaranteeing personal data protection

Each building block has different strategic policies associated with specific targets, each with an expected date of achievement.

The ESG Strategy targets, if any, are reported in the following chapters, based on the relevant sustainability topic.

All material IROs are treated in compliance with the relevant ESRS principles (in addition to the minimum reporting obligations related to policies, actions, targets and metrics) also with regard to IROs related to the topic "Innovation and Digitalisation", identified as a specific material topic for the Group, on which specific policies, actions, targets and metrics are described in the following sections.

The Administrative Manager of Dolomiti Energia Holding (DEH) and the Group's ESG Manager found no current financial effects associated with material ESG risks and opportunities. Ineed, following the results of the financial materiality analysis (and in consideration of the principle of prudence adopted in the reporting of accounting documents), it was found that none of the material risks and opportunities had any current financial effects - or significant impacts on the values reported in the 2024 Report on Operations - and that there is no material risk of significant adjustments, in 2025, of the book values of the assets and liabilities reported in the 2024 Report on Operations.

FOCUS ON OWN WORKFORCE (SBM-3 S1)

During the dual materiality analysis, several IROs related to the Group's own workforce were identified. The Group responds to these IROs promptly through a series of policies and actions, in the context of its business model and the description of these is presented in chapter S1 of this consolidated statement. In identifying and assessing all the material IROs, all Group people were considered, without exclusions. Note that the people of the Group are not at serious risk of forced or compulsory labour or child labour.

FOCUS ON END-USERS (SBM-3 S4)

Two IROs were identified with regard to this material topic (an opportunity and a current positive impact). The scope considered for the identification and assessment of these two IROs included all the end-users of the services and products of the consolidated company of this consolidated statement. In particular, the positive impact refers to all the business activities that the Group conducts on a daily basis.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

IRO 1 DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

To fully comply with the ESRS requirements established by the European legislation on corporate sustainability reporting (CSRD), in 2024 the Dolomiti Energia Group (DEG) updated the methodology and process adopted to identify and assess the material impacts, risks and opportunities (IRO).

The main steps taken and the methodologies adopted by the Group to conduct the 2024 dual materiality analysis, which represented the central pillar for the preparation of this consolidated sustainability statement and for the definition of the Group's ESG Strategy, will be illustrated below.

The main phases of the dual materiality process are provided below.

1) DEFINITION OF METHODOLOGY AND SUSTAINABILITY TOPICS

To define the Group's preliminary sustainability topics, the topics, sub-topics and sub-sub-topics presented in application requirement 16 of ESRS 1 were taken into consideration, and a benchmark analysis was carried out on the main operators in the multi-utility sector. This led to the formalisation of the preliminary list of material sustainability topics for the Group - summarised below - on the basis of which the IROs were then identified.

Sustainability topics 2024

ENVIRONMENT	Energy transition and the fight against climate change ESRS E1	Preventing pollution ESRS E2	Sustainable management and protection of water ESRS E3	Protection of ecosystems and biodiversity ESRS E4	Responsible and sustainable waste management ESRS E5	
SOCIAL	Health and safety ESRS S1 ESRS S2	Well-being, diversity and inclusion ESRS S1 ESRS S2	Training and professional development ESRS S1 ESRS S2	Respect for human rights ESRS S1 ESRS S2	Quality, safety, continuity and accessibility of products and services ESRS S4	Affected communities ESRS S3
GOVERNANCE	Ethics, integrity and transparency in business and governance ESRS G1	Sustainable development strategy ESRS G1	Stakeholder dialogue and support for community development ESRS G1	Innovation and digitalisation ENTITY-SPECIFIC		

The specific topics for the Dolomiti Energia Group were defined starting from the ESRS list (AR 16 with topics, sub-topics and sub-sub-topics) of sustainability topics and from a market benchmark analysis of multi-utilities.

The methodology was defined at Group level, and was validated by the Group Internal Audit Department (responsible for managing the annual risk assessment), the Management Control Department and by the Chief Executive Officer. Below is a summary of the methodology used for both financial materiality (risks and opportunities) and impact materiality (positive and negative impacts).

- Financial materiality: the assessment of financial materiality of the risks and opportunities with possible repercussions on the Group is given by the combination of the assessments of financial impact/benefit and likelihood of occurrence in the time horizons considered most relevant for each risk/opportunity among the three horizons considered (short, medium, long term), in compliance with what is indicated in the ESRS. Finally, a qualitative and quantitative materiality threshold was defined, i.e., a limit level of combinations of financial impact/benefit and likelihood of occurrence beyond which the risks and opportunities are considered significant.
- Impact materiality: the assessment of the impact materiality of the positive and negative impacts caused by the Group on the environment and society is given by the combination of the assessments of entity, scope, irremediable nature (for negative impacts), and likelihood of occurrence (for the impacts considered potential) in the time horizons considered most relevant for each impact among the three horizons considered (short, medium, long term), in compliance with what is indicated in the ESRS. Furthermore, in compliance with the ESRS indications, in the event of a potential negative impact on the topic of human rights, the methodology requires that the assessment of impact severity - given by entity, scope, irremediable nature - prevails over the assessment of likelihood of occurrence. For positive impacts, the materiality was assessed on the basis of the following dimensions: entity, scope, and likelihood (for impacts considered potential). Finally, a qualitative and quantitative materiality was defined, i.e., a limit level of combinations of entity, scope, irremediable nature and likelihood of occurrence beyond which the impacts are considered material.

During 2024, the financial impact/benefit and likelihood of occurrence assessment scales were revised to ensure consistency with ESRS guidelines. Currently, the Group does not have an Enterprise Risk Management (ERM) system, and conducts an annual risk assessment based on qualitative-quantitative scales which, starting from next year, will integrate the financial materiality analysis described in this section.

2) IRO IDENTIFICATION AND ASSESSMENT

- Financial materiality: the risk events and opportunities for the Group were identified with the management of the DEG starting from a preliminary list of events prepared by the ESG Department, which covered all ESRS sustainability topics, and not limited to its own operations but also affecting the entire value chain of the Group, both upstream and downstream. In addition, the Group's dependence on natural and/or social resources was considered as a source of risk or financial opportunity. The assessment was carried out with the involvement of the Group's management through targeted interviews, where they were asked to assess the events identified following the methodology compliant with the ESRS described in the previous section. The interviews were attended by all the Chief Executive Officers of the Group companies, as well as the Top Management figures of the Holding, in order to cover the entire scope of the Group. During these meetings, in addition to the assessment of the risks/opportunities presented by the ESG work team, if considered applicable to the reference business, additional risks and opportunities not mapped in the preliminary list were added upon the recommendation of the management interviewed. In addition, following the workshops, each respondent was asked to review the formalised risks and opportunities and to validate and/or modify the assessments that emerged during the workshop. The assessments were then consolidated by the ESG working group and reviewed with the Internal Audit Department and the Chief Executive Officer.

- Impact materiality: the positive and negative impacts were identified through the analysis of the business model, the operating activities carried out by the Group companies and the information collected from the benchmark analysis carried out previously. The preliminary list of impacts included all the sustainability topics envisaged by the ESRS standards and considered both the impacts related to the Group's business operations and those affecting the Group's value chain, both upstream and downstream. The assessment of the impacts involved a wide range of stakeholders, both inside and outside the Group, thanks to a structured stakeholder engagement process. This process included sending a survey to over 600 stakeholders selected among employees, members of the Board of Directors and Supervisory Bodies, public bodies, institutions, trade unions, customers, suppliers, financial institutions, shareholders, industrial partners and representatives of local communities (including NGOs and local national park managers representing the silent stakeholder, nature). Each of them was asked to assess the impacts identified following the ESRS-compliant methodology described in the previous section. The stakeholder engagement was a fundamental step to ensure that all stakeholders' voices were heard when defining company priorities. The company was thus not only able to integrate the different points of view, but also to build solid sustainability reporting, shared and aligned with the expectations of the community and the market. The results of the stakeholder assessment were used to determine the materiality of the impacts identified.

Once the assessments of financial and impact materiality of each IRO considered were consolidated, they were compared with the previously established materiality thresholds in order to prioritise the IROs and identify those which are material for the Group.

The material impacts, risks and opportunities for the Group are listed in the section SBM 3, with a precise indication of the sustainability topic associated therewith, the time horizons in which they were material and the positioning along the value chain.

3) FORMALISATION OF THE 2024 DUAL MATERIALITY MATRIX

The sustainability topics identified before the first step of the dual materiality process were then represented on the dual materiality matrix shown below on the basis of the materiality assessments of the IROs associated therewith.

The sustainability topics are divided into three categories:

- E (Environment);
- S (Social);
- G (Governance).

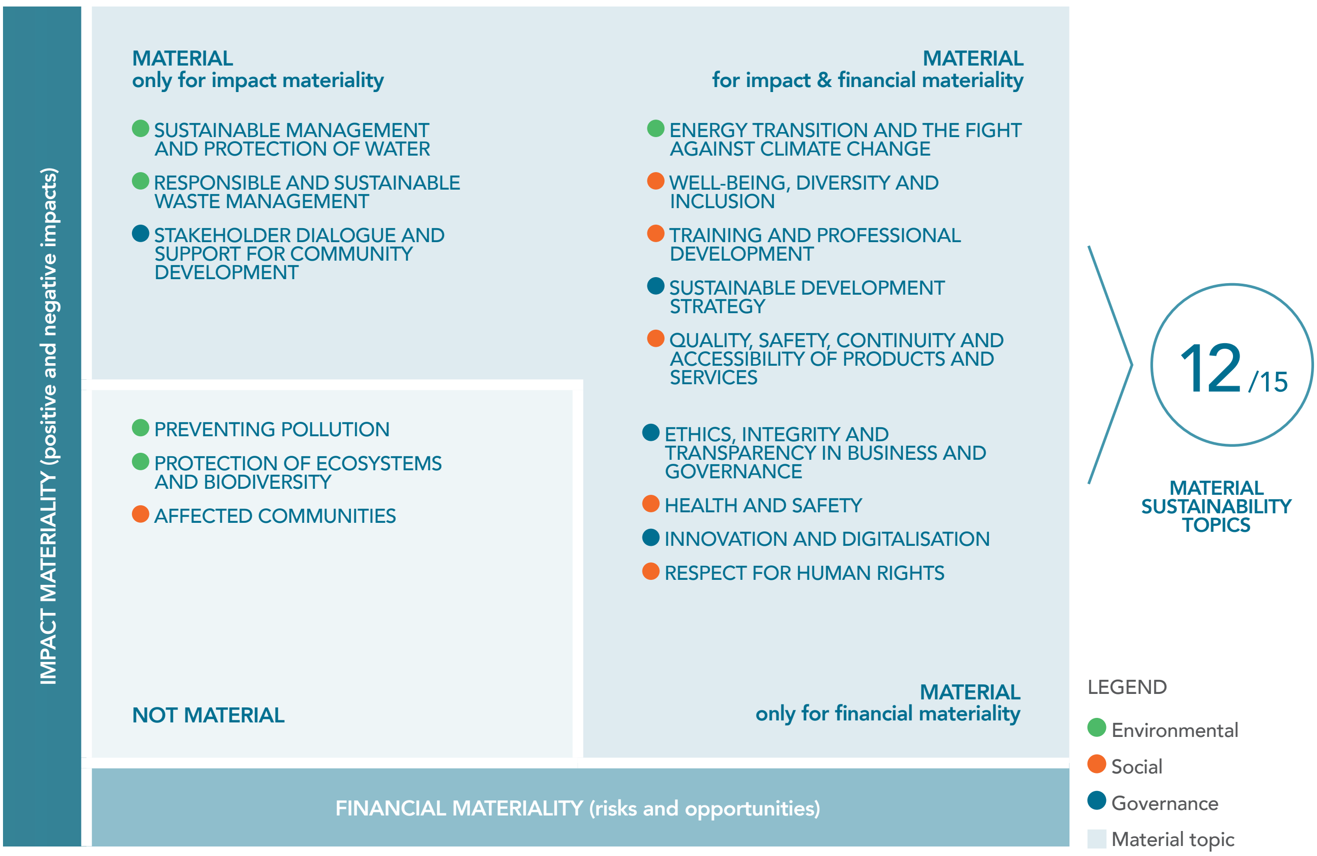
In particular:

- The top left box shows the sustainability topics associated with material impacts;
- The sustainability topics associated with risks/opportunities that were found to be material are shown in the box at the bottom right;
- The top right box shows the sustainability topics associated with material impacts and risks/opportunities;
- The box at the bottom left shows the sustainability topics associated only with impacts and risks/opportunities that were not material.

The topics are not material because the IROs associated therewith were assessed below the respective materiality thresholds established by the Group.

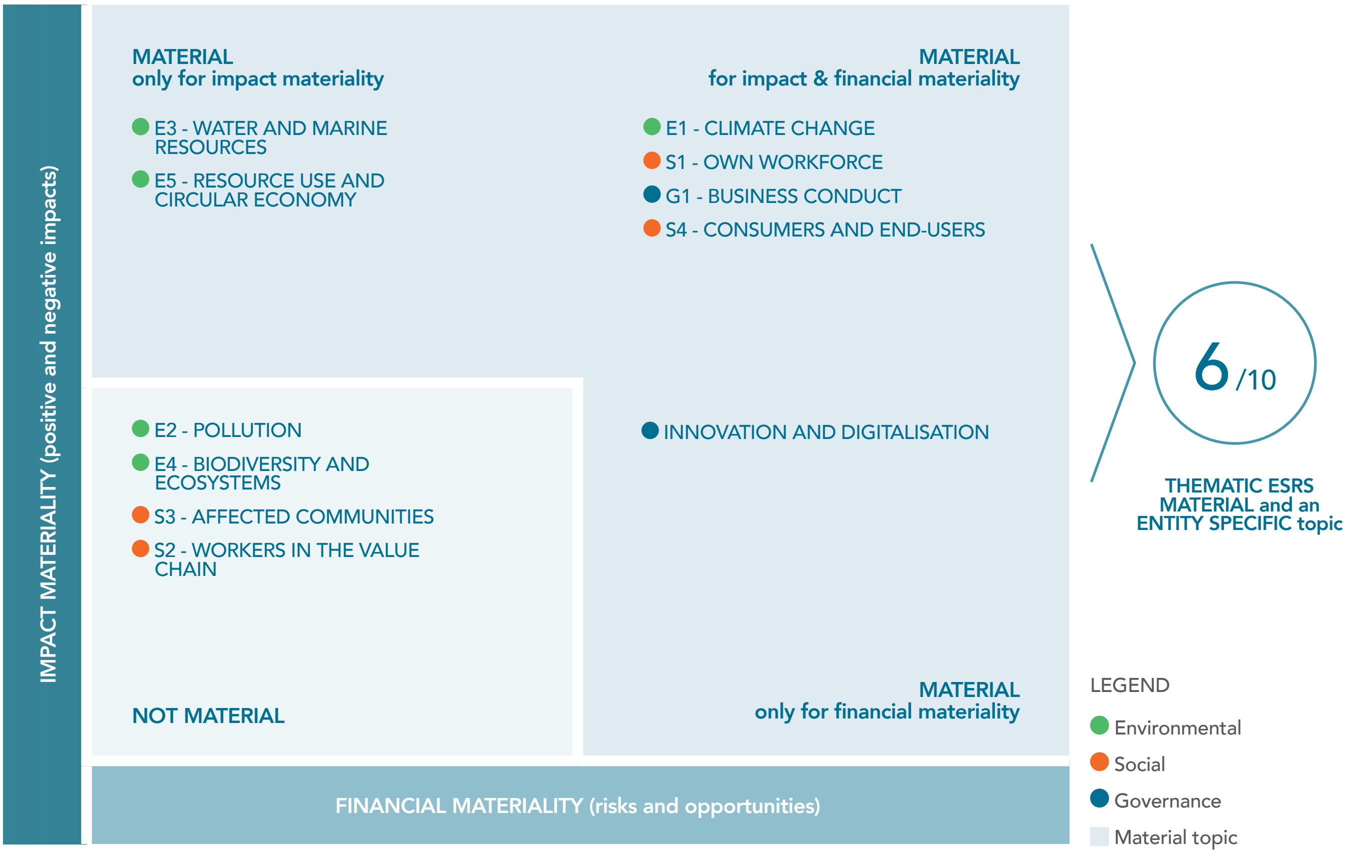
As specified above, the sustainability topics identified by the Group always refer to the thematic ESRSs. For this reason, the formalised matrix with reference to the thematic ESRSs can be seen below.

Dual materiality matrix 2024



NOTE: The placement of the material topics in the matrix reflects the results of the dual materiality assessment. Each material topic is positioned according to whether it is considered material from the point of view of impact materiality, financial materiality or both.

2024 Dual materiality matrix: focus on the related thematic ESRS modules



NOTE: The Health and Safety, Human Rights, Welfare Diversity and Inclusion, Training and Development topics were material only in relation to the Group's own workforce (S1), whereas they were not material for workers in the value chain (S2).

The following thematic ESRSs were not material:

- E2: Pollution;
- E4: Biodiversity and ecosystems;
- S2: Workers in the value chain;
- S3: Affected communities.

For each of these thematic ESRSs, as well as for those found material, the process of identifying and assessing the IROs described above was followed. The results of this process led to the exclusion of these topics from the reporting, as the associated IROs received an assessment below the materiality thresholds established by the Group.

The results presented here allowed the ESG Department to identify the specific Disclosure Requirements (DR), and relevant Data Points for the material IRO results and the topics associated therewith, for which the process of collecting the information to be reported was activated.

In particular, the E3 theme was found to be material only in relation to the sub-sub-theme "water withdrawals", and therefore the E3-4 metric is not found to be material and is excluded from this Consolidated sustainability statement.

Furthermore, the E5 theme was found to be material only in relation to the sub-theme "resource flows connected to products and services", therefore the E5-4 metric is not found to be material and is excluded from this Consolidated sustainability statement.

The list of DRs complied with in this consolidated sustainability statement is shown in the index at the beginning of this consolidated statement.

ANALYSIS OF PHYSICAL RISKS ASSOCIATED WITH CLIMATE CHANGE

The Group conducted an initial in-depth analysis of the physical risks associated with the occurrence of extreme weather events in order to identify any new major risks, and to respond to the requirements of the ESRS and those of the European Taxonomy.

The analysis included a perimeter consisting of a selection of assets considered representative of the various economic activities carried out by the Group companies, and was carried out over the short, medium and long-term time horizons. The evolution of the exposure of perimeter assets in the medium and long term was studied considering the climate scenario RCP 8.5 (Representative Concentration Pathway), i.e., the case scenario describing the most significant increase in temperatures and concentration of greenhouse gases in the atmosphere at a global level.

In order to identify assets at material physical risk, the exposure to extreme weather events - acute and chronic - was assessed considering the location of the assets in the perimeter. The analysis was conducted on the basis of historical and forecast data obtained from internationally recognised public sources, selected on the basis of data quality and availability.

Based on the results obtained and the economic data related to each site (e.g., net book value, production values in terms of EBITDA), the possible gross financial implications in terms of costs for damage to the asset and/or economic losses due to the interruption of activities were quantified.

Based on the materiality threshold used for the financial materiality analysis and taking into account the probability of occurrence of the climate events considered and the gross financial implications, no physical material risks emerged.

In addition, to complete the analysis, the mitigation measures were mapped by involving Group management, and the presence of tangible mitigators was confirmed, i.e. physical and/or structural controls in place to reduce the extent of impacts, and intangible mitigators, i.e. insurance cover to limit the economic impact on the Group.

ANALYSIS OF THE TRANSITION RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

The financial materiality analysis described in the paragraph "IRO identification and assessment" also led to the identification and assessment of material transitional risks and opportunities related to climate change. To this end, the Net Zero scenario (NZE - Net Zero Emissions) defined by the IEA (International

Energy Agency), i.e., the best case scenario, was considered. It outlines a path to maximise efforts to limit the rise in global temperatures to below 1.5 °C - in line with the Paris Agreement - in order to achieve the net zero emissions target by 2050 and to assess the impact on the Group in terms of transition risks and opportunities. In particular, the four categories of risks and opportunities defined by the TCFD (market, policy and legal, technological, reputational) were considered and the gross financial impacts/benefits were assessed.

The relevant risks and opportunities related to the topic energy transition and combating climate change (ESRS E1) are the result of this assessment.

IRO 2 DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S CONSOLIDATED STATEMENT

The ESRS Disclosure Requirements included in this consolidated sustainability statement are indicated in the index at the beginning of this consolidated statement.

With regard to elements of information deriving from other EU legislative acts, this Statement includes information in compliance with the following regulations:

- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework that encourages sustainable investments and amending Regulation (EU) 2019/2088 (European Taxonomy) in the dedicated section of this consolidated statement;
- Article 2, paragraph 1, of 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 Regulation (EC) 401/2009 and Regulation (EU) 2018/1999 ("European climate legislation") in the dedicated section of this consolidated statement (ESRS E1-1 and ESRS E1-7).

The Dolomiti Energia Group does not fall within the scope of application of the following regulations:

- Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosure in the financial services sector (SFDR);
- Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for supervisory purposes for credit institutions and amending Regulation (EU) 648/2012 (regulation on capital requirements);
- 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) 596/2014.

ENVIRONMENTAL DISCLOSURE

DISCLOSURE PURSUANT TO TAXONOMY REGULATION (EU) 2020/852

The European Taxonomy was designed and defined to help companies and investors take real steps and make informed choices towards a resilient, low-carbon, resource-efficient economy. It is an important tool in the strategy outlined to steer the transition to a low-carbon economy and help to achieve the objectives of the European Green Deal.

It provides clear and structured guidance for identifying economic activities that significantly contribute to environmental sustainability goals, enabling market participants to make informed investment and policy decisions. This integrated approach is designed to ensure comparability, consistency and to protect shareholders from greenwashing practices. It is essential to address the complex and interconnected environmental challenges the world faces today.

Introduced through EU Regulation 2020/852, the Taxonomy clearly and precisely defines the conditions an economic activity must fulfil in order to be considered environmentally sustainable.

The first EU Delegated Regulation 2021/2139 was published in 2021, covering two objectives: climate change mitigation and climate change adaptation. This first list of environmentally sustainable activities was supplemented, again for the same objectives, in 2022 with the publication of EU Delegated Regulation 2022/1214 relating to the Gas and Nuclear sectors.

Finally, EU Delegated Regulations 2023/2485 and 2023/2486 completed and supplemented the regulatory framework in 2023.

CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION
SUSTAINABLE USE AND PROTECTION OF WATER AND MARINE RESOURCES	CIRCULAR ECONOMY
POLLUTION PREVENTION AND CONTROL	PROTECTION AND RESTORATION OF BIODIVERSITY AND ECOSYSTEMS

To be considered environmentally sustainable - and consequently 'aligned' with the Taxonomy - an activity must:

- Contribute substantially to at least one of the six environmental objectives, and therefore comply with the technical screening criteria set out;

- Not cause significant harm to any of the other environmental objectives, i.e., 'Do No Significant Harm' (DNSH);
- Comply with the minimum safeguards (such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights).

If the activity does not meet the above points but is nevertheless described within the Delegated Regulations, it is defined as eligible and not aligned.

THE COMMITMENT OF THE DOLOMITI ENERGIA GROUP

In 2024, the Dolomiti Energia Group (DEG), in continuity with what was reported in previous years, undertook the process of analysing the requirements of the Regulation in order to fully comply with the legislation.

In particular, the process that led to this consolidated statement was as follows:

The analysis, in a first phase, took into consideration all the activities of the companies in the consolidated scope of the Group to consolidate the list of eligible activities through an assessment of the economic activities actually carried out by the Group companies, in order to verify their correspondence with the descriptions included in the Delegated Regulations. The outcome of this mapping made it possible to identify which economic activities could be considered 'eligible' and which 'non-eligible'.

Once the eligible economic activities were identified, in order to ascertain their alignment, the following were then analysed and evaluated:

- The technical screening criteria specifically envisaged for the economic activity and the environmental objective;
- Compliance with the 'Do No Significant Harm' principle in relation to the other five environmental objectives.

Finally, pursuant to Art. 18 of Regulation (EU) 2020/852, for each eligible economic activity, compliance with the minimum safeguard requirements and in particular with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights established by the International Labour Organisation (ILO) and the International Bill of Human Rights was assessed. In this respect, the Group's procedures and processes were analysed for compliance with human and labour rights, corruption, taxation and competition:

- Human Rights: the Group's commitment is manifested not only in the Code of Ethics, but also through the adoption of the Human Rights Policy, which is inspired by international principles and guidelines, such as those published by the United Nations and the ILO. It applies to directors, employees and associates, including subsidiaries and whoever working in the name and on behalf of the Dolomiti Energia Group;
- Anti-Corruption: Observance of the laws and the committed fight against corruption are clearly established in the Group Code of Conduct, given tangible form in the working practices and methods defined and circulated through the company procedures, and supported, promoted and monitored through a system of communication, training and constant monitoring.

As a result of the checks described above, it was possible to identify the economic activities that were only eligible or both eligible and aligned, as indicated in detail in the templates for key performance indicators (KPIs) defined in Annex II, Regulation (EU) 2021/2178, as amended (see Delegated Regulations (EU) 2022/1214 and 2023/2486), reported in this section of the consolidated sustainability statement and compliant with regulations.

ECONOMIC AND FINANCIAL RESULTS

After identifying the eligible activities and the activities aligned with the Taxonomy, the Group gathered the relevant economic and financial data required to calculate the key performance indicators (KPIs) required by Regulation (EU) 2021/2178 through an analysis and mapping of the cost and profit centres associated with the previously identified activities.

In cases where the economic activities were eligible and aligned with environmental objectives, the economic and financial data were counted only once for calculation purposes and the KPIs were calculated in the light of the guidance provided in the aforementioned regulation.

For the definition of revenue-related KPIs, the profit centres reported in the 2024 Financial Statements for each company with "eligible" and/or "aligned" activities (net of intercompany revenues). As denominator for these KPIs the value of Revenues from sales and services (A1) was used, indicated in the "Consolidated comprehensive income statement" in the Consolidated Financial Statements of the Dolomiti Energia Group.

For the definition of capex and opex KPIs, general cost accounting items were used with the type of expenditure indicated in Annex I to Regulation (EU) 2021/2178 for companies with "eligible" and/or "aligned" activities (net of intercompany costs). The expense relating to training and other adaptation needs for human resources were taken from the DOCEBO company management system.

In particular, for the purpose of identifying capex eligible values, increases in property, plant and equipment and intangible assets during the year were considered, before amortisation, depreciation, write-downs and any revaluation, including those relating to restated values and decreases for the year under review, and excluding changes in fair value and increases in property, plant and equipment and intangible assets arising from business combinations.

The taxonomy-aligned Capex values refer to fixed assets relating to assets and processes associated with taxonomy-aligned economic activities, the purchase of products deriving from taxonomy-aligned economic activities and individual measures allowing target activities to achieve low CO2 emissions or reductions in GHG emissions in line with the provisions of point 1.1.2.2 of Annex I to Delegated Regulation (EU) 2021/2178.

In particular, for the purpose of identifying taxonomy-eligible Opex values, the following were considered: uncapitalised direct costs associated with research and development, building renovation measures, short-term leases, maintenance and repairs, any other direct expense associated with day-to-day maintenance of property, plant and equipment, by the company or by third parties to which these task had been outsourced, necessary to ensuring ongoing and effective operation of these assets (in particular: cost of material for maintenance, employee costs for machine repairs, employee costs for production plant cleaning, maintenance-specific IT costs), as well as uncapitalised direct costs due to training and other adaptation needs of human resources.

The taxonomy-aligned Opex values refer to uncapitalised direct costs associated with all the types indicated above, except research and development and building renovations, and refer to assets and processes associated with taxonomy-aligned economic activities in line with the provisions of point 1.1.3.2 of Annex I to Delegated Regulation (EU) 2021/2178.

Note that for the identification of taxonomy-aligned Capex and Opex values, the Capex and Opex relating to Capex Plans to expand taxonomy-aligned economic activities or to allow eligible economic activities to align with the taxonomy, under the conditions pursuant to points 1.1.2.2 and 1.1.3.2 of Annex I to Delegated Regulation (EU) 2021/2178, were not considered.

The templates for illustrating the Key Performance Indicators (KPIs) as defined in Annex II of Regulation (EU) 2021/2178 et seq. (see Delegated Regulation (EU) 2022/1214 and 2023/2486), and the standard templates for the public disclosure of information referred to in Article 8, par. 6 and 7 in Annex XII, are set out in this section of the consolidated sustainability statement and compliant with regulations, as are the changes in financial KPIs.

TURNOVER INDICATOR

With reference to the year 2024, 32.76% of turnover is related to environmentally sustainable activities (i.e., eligible and aligned) and 0.48% to eligible but non-aligned economic activities. The remaining 66.76% consists of non-eligible revenues from economic activities that are currently outside the scope of the Taxonomy.

CAPITAL EXPENDITURE INDICATOR (CAPEX)

For 2024, 56.62% of CapEx is related to environmentally sustainable economic activities (i.e., eligible and aligned) and 2.21% to eligible but non-aligned economic activities. The remaining 41.16% consists of non-eligible revenues from economic activities that are currently outside the scope of the Taxonomy.

OPERATING EXPENDITURE INDICATOR (OPEX)

For the year 2024, 58.96% of OpEx is related to environmentally sustainable activities (i.e., eligible and aligned) and 1.35% to eligible but non-aligned economic activities. The remaining 39.69% consists of non-eligible revenues from economic activities that are currently outside the scope of the Taxonomy.

The templates are as follows:

Proportion of turnover from products or services associated with taxonomy-aligned economic activities - Disclosure covering the year 2024

Financial year 2024				Criteria for substantial contribution				
Economic activities (1)	**Code(s) (2)**	**Turnover (3)**	**Proportion of turnover (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**
		€	%	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1 Environmentally sustainable activities (taxonomy-aligned)								
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	8,518	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	559,585,151	25.22%	Yes	Yes	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	105,817,322	4.77%	Yes	No	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10 / CCA 4.10	-	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1 / CCA 5.1	-	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	2,437,715	0.11%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	-	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	5,646,552	0.25%	Yes	Yes	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	112,228	0.01%	Yes	N/EL	N/EL	N/EL	N/EL
Collection and transport of non-hazardous and hazardous waste	CE 2.3	38,897,790	1.75%	N/EL	N/EL	N/EL	N/EL	Yes
Manufacture and installation (and related services) of leakage control technologies that allow reducing and preventing leaks in water supply systems	WTR 1.1	-	0.00%	N/EL	N/EL	Yes	N/EL	N/EL
Water supply	WTR 2.1	14,219,467	0.64%	N/EL	N/EL	Yes	N/EL	N/EL
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		**726,724,743**	**32.76%**	**30.36%**	**25.59%**	**0.64%**	**0.00%**	**1.75%**
of which enabling		114,013,817	5.14%	5.14%	0.36%	0.00%	0.00%	0.00%
of which transitional		-	0.00%	0.00%				

	DNSH Criteria									
Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) turnover, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Yes; No; N/EL	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**%**	**A**	**T**
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00 %		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	18.10 %		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.39 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.01 %		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	1.67 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.11 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.01 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00 %		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00 %	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00 %		
0.00%	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**20.29 %**		
0.00%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	2.18 %	A	
								0.00 %		T

Financial year 2024				Criteria for substantial contribution				
Economic activities (1)	**Code(s) (2)**	**Turnover (3)**	**Proportion of turnover (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)								
Manufacture of equipment for the production and use of hydrogen	**CCM 3.2 / CCA 3.2**	**-**	**0.00%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	-	0.00%	EL	AM	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM 4.15 / CCA 4.15	7,856,074	0.35%	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	1,119,959	0.05%	EL	AM	N/EL	N/EL	N/EL
Production of heat/cooling from geothermal energy	CCM 4.22 / CCA 4.22	63,428	0.00%	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29 / CCA 4.29	1,616,656	0.07%	EL	N/EL	N/EL	N/EL	N/EL
High-efficiency co-generation of heat/cooling and power from fossil gaseous fuels	CCM 4.30 / CCA 4.30	-	0.00%	EL	N/EL	N/EL	N/EL	N/EL
Drainage systems	WTR 2.3	-	0.00%	N/EL	N/EL	AM	N/EL	N/EL
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**10,656,117**	**0.48%**	**0.48%**	**0.05%**	**0.00%**	**0.00%**	**0.00%**
A. Turnover of taxonomy-eligible activities (A.1+ A.2)		**737,380,860**	**33.24%**	**30.84%**	**25.64%**	**0.64%**	**0.00%**	**1.75%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES								
Turnover of taxonomy-non-eligible activities		**1,481,028,131**	**66.76%**					
Total		**2,218,408,991**	**100.00%**					

	Share of turnover/ Total turnover	
	Taxonomy-aligned by objective	**Taxonomy-eligible by objective**
CCM	30.36%	30.84%
CCA	25.59%	25.64%
WTR	0.64%	0.64%
PPC	0.00%	0.00%
CE	1.75%	1.75%
BIO	0.00%	0.00%

		DNSH Criteria									
	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) turnover, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
	N/EL								**0.00%**		
	N/EL								0.00%		
	N/EL								0.42%		
	N/EL								0.00%		
	N/EL								0.00%		
	N/EL								0.13%		
	N/EL								0.00%		
	N/EL								0.00 %		
	0.00%								**0.55%**		
	0.00%								**20.84%**		

Proportion of CapEx from products or services associated with taxonomy-aligned economic activities - Disclosure covering year 2024

Financial year 2024				Criteria for substantial contribution				
Economic activities (1)	**Code(s) (2)**	**CapEx (3)**	**Proportion of CapEx (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**
		€	**%**	**Yes; No; N/EL**	**Yes; No; N/EL**	**Yes; No; N/EL**	**Yes; No; N/EL**	**Yes; No; N/EL**
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1 Environmentally sustainable activities (taxonomy-aligned)								
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	5,309,466	4.01%	Yes	Yes	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	12,487,638	9.43%	Yes	Yes	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	40,069,728	30.25%	Yes	No	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10 / CCA 4.10	6,031,645	4.55%	Yes	Yes	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM 4.15 / CCA 4.15	116,813	0.09%	No	Yes	N/EL	N/EL	N/EL
Production of heat/cooling from geothermal energy	CCM 4.22 / CCA 4.22	27,500	0.02%	No	Yes	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1 / CCA 5.1	-	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	704,000	0.53%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	124,673	0.09%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	-	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	-	0.00%	Yes	N/EL	N/EL	N/EL	N/EL
Collection and transport of non-hazardous and hazardous waste	CE 2.3	4,501,314	3.40%	N/EL	N/EL	N/EL	N/EL	Yes
Manufacture and installation (and related services) of leakage control technologies that allow reducing and preventing leaks in water supply systems	WTR 1.1	3,325	0.00%	N/EL	N/EL	Yes	N/EL	N/EL
Water supply	WTR 2.1	5,633,828	4.25%	N/EL	N/EL	Yes	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**75,009,930**	**56.62%**	**48.86%**	**18.72%**	**4.26%**	**0.00%**	**3.40%**
of which enabling		46,933,371	35.43%	35.43%	5.18%	0.00%	0.00%	0.00%
of which transitional		0.00%	0.00%	0.00%				

		DNSH Criteria									
	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) CapEx, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
	Yes; No; N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.50%		
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.04%		
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	35.40%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.83%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.09 %		
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.03 %		
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	6.24%		
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.08%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%		
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%		
	0.00%	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**53.20%**		
	0.00%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	41.30%	A	
									0.00%		T

Financial year 2024				Criteria for substantial contribution				
Economic activities (1)	**Code(s) (2)**	**CapEx (3)**	**Proportion of CapEx (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned)								
Manufacture of equipment for the production and use of hydrogen	CCM 3.2 / CCA 3.2	631,217	0.48%	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	1,814,058	1.37%	EL	EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	422,936	0.32%	EL	EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29 / CCA 4.29	63,909	0.05%	EL	N/EL	N/EL	N/EL	N/EL
High-efficiency co-generation of heat/cooling and power from fossil gaseous fuels	CCM 4.30 / CCA 4.30	-	0.00%	EL	N/EL	N/EL	N/EL	N/EL
Drainage systems	WTR 2.3	1,650	0.00%	N/EL	N/EL	AM	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2,933,770**	**2.21%**	**2.21%**	**1.69%**	**0.00%**	**0.00%**	**0.00%**
A. CapEx of taxonomy-eligible activities (A.1+ A.2)		**77,943,700**	**58.84%**	**51.07%**	**20.41%**	**4.26%**	**0.00%**	**3.40%**
CapEx of taxonomy-non-eligible activities		**54,528,587**	**41.16%**					
Total		**132,472,287**	**100.00%**					

	Proportion of CapEx	
	Taxonomy-aligned by objective	**Taxonomy-eligible by objective**
CCM	48.86%	51.07%
CCA	18.72%	20.41%
WTR	4.26%	4.26%
PPC	0.00%	0.00%
CE	3.40%	3.40%
BIO	0.00%	0.00%

	DNSH Criteria									
Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) CapEx, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
N/EL								0.00 %		
N/EL								0.00 %		
N/EL								0.00 %		
N/EL								0.03 %		
N/EL								0.00 %		
N/EL								0.00%		
0.00%								**0.03 %**		
0.00%								**53.23 %**		

Proportion of OpEx from products or services associated with taxonomy-aligned economic activities - Disclosure covering year 2024

Financial year 2024				Criteria for substantial contribution				
Economic activities (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)
		€	%	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES								
A.1 Environmentally sustainable activities (taxonomy-aligned)								
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	26,465	0.05%	Yes	Yes	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	15,930,702	29.13%	Yes	Yes	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9 / CCA 4.9	4,567,202	8.35%	Yes	No	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10 / CCA 4.10	1,964,175	3.59%	Yes	Yes	N/EL	N/EL	N/EL
District heating/cooling distribution	CCM 4.15 / CCA 4.15	773,581	1.41%	No	Yes	N/EL	N/EL	N/EL
Production of heat/cooling from geothermal energy	CCM 4.22 / CCA 4.22	31,134	0.06%	No	Yes	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1 / CCA 5.1	165,022	0.30%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	878,618	1.61%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	-	0.00%	Yes	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	2,650,456	4.85%	Yes	Yes	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	-	0.00%	Yes	N/EL	N/EL	N/EL	N/EL
Collection and transport of non-hazardous and hazardous waste	CE 2.3	3,179,001	5.81%	N/EL	N/EL	N/EL	N/EL	Yes
Manufacture and installation (and related services) of leakage control technologies that allow reducing and preventing leaks in water supply systems	WTR 1.1	275,075	0.50%	N/EL	N/EL	Yes	N/EL	N/EL
Water supply	WTR 2.1	1,799,529	3.29%	N/EL	N/EL	Yes	N/EL	N/EL
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		**32,240,960**	**58.96%**	**47.88%**	**41.00%**	**3.79%**	**0.00%**	**5.81%**
of which enabling		10,335,526	18.90%	18.40%	10.05%	0.50%	0.00%	0.00%
of which transitional		0.00%	0.00%	0.00%				

	DNSH Criteria									
Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) OpEx, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
Yes; No; N/EL	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**Yes/No**	**%**	**A**	**T**
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	26.68%		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	7.30%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	2.77%		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.01%		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	6.24%		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	26.22%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.05%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	2.84%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%		
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%	A	
N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00%		
0.00%	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**72.11%**		
0.00%	Yes	Yes	Yes	Yes	Yes	Yes	Yes	36.40%	A	
								0.00%		T

Financial year 2024				Criteria for substantial contribution				
Economic activities (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (g)								
Manufacture of equipment for the production and use of hydrogen	CCM 3.2 / CCA 3.2	-	0.00%	EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	-	0.00%	EL	AM	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	157,264	0.29%	EL	AM	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29 / CCA 4.29	564,315	1.03%	EL	N/EL	N/EL	N/EL	N/EL
High-efficiency co-generation of heat/cooling and power from fossil gaseous fuels	CCM 4.30 / CCA 4.30	18,199	0.03%	EL	N/EL	N/EL	N/EL	N/EL
Drainage systems	WTR 2.3	-	0.00%	N/EL	N/EL	Yes	N/EL	N/EL
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned) (A.2)		**739,778**	**1.35%**	**1.35%**	**0.29%**	**0.00%**	**0.00%**	**0.00%**
A. OpEx of taxonomy-eligible activities (A.1+ A.2)		**32,980,738**	**60.31%**	**49.23%**	**41.29%**	**3.79%**	**0.00%**	**5.81%**
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES								
OpEx of taxonomy-non-eligible activities		**21,704,938**	**39.69%**					
Total		**54,685,676**	**100.00%**					

	Proportion of OpEx	
	Taxonomy-aligned by objective	**Taxonomy-eligible by objective**
CCM	47.88%	49.23%
CCA	41.00%	41.29%
WTR	3.79%	3.79%
PPC	0.00%	0.00%
CE	5.81%	5.81%
BIO	0.00%	0.00%

	DNSH Criteria									
Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.) OpEx, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
N/EL								0.00%		
N/EL								0.00%		
N/EL								0.00%		
N/EL								1.74%		
N/EL								0.82%		
N/EL								0.00%		
0.00%								**2.55%**		
0.00%								**74.66%**		

Template 1 – Nuclear and fossil gas activities

	Activities related to nuclear energy	
1	The company carries out, finances or has exposures to research, development, demonstration and creation of innovative power generation plants that produce energy from nuclear processes with a minimum amount of waste from the fuel cycle.	NO
2	The company carries out, finances or has exposures to the construction and safe operation of new nuclear power plants for the generation of electricity or process heat, including for district heating purposes or for industrial processes such as hydrogen production, and improvements in their safety, with the help of the best available technology.	NO
3	The company carries out, finances or has exposures to the safe operation of existing nuclear power plants that generate electricity or process heat, including for district heating or for industrial processes such as the production of hydrogen from nuclear energy, and improvements in their safety.	NO
	Activities related to fossil gases	
4	The company carries out, finances or has exposures to the construction or operation of power generation plants using gaseous fossil fuels.	YES
5	The company carries out, finances or has exposures to the construction, upgrading and operation of combined heat/cooling and power generation plants using gaseous fossil fuels.	YES
6	The company carries out, finances or has exposures to the construction, upgrading and operation of heat generation plants producing heat/cooling using gaseous fossil fuels	YES

Template 2 – Taxonomy-aligned economic activities (Denominator)

		Proportion (present information in monetary amounts and percentages)					
		CCM + CCA		CCM		CCA	
Row	**Economic activities**	**Amount (€)**	**%**	**Amount (€)**	**%**	**Amount (€)**	**%**
1	Amount and proportion of taxonomy-aligned economic activities in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
2	Amount and proportion of taxonomy-aligned economic activities in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
3	Amount and proportion of taxonomy-aligned economic activities in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
4	Amount and proportion of taxonomy-aligned economic activities in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
5	Amount and proportion of taxonomy-aligned economic activities in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
6	Amount and proportion of taxonomy-aligned economic activities in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
7	**Amount and proportion of other taxonomy-aligned economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	-	**0.00%**	-	**0.00%**	-	**0.00%**
8	**Total amount and proportion of other taxonomy-aligned economic activities in the denominator of the applicable KPI**	-	**0.00%**	-	**0.00%**	-	**0.00%**

Template 3 – Taxonomy-aligned economic activities (Numerator)

		Proportion (present information in monetary amounts and percentages)					
		CCM + CCA		CCM		CCA	
Row	Economic activities	Amount (€)	%	Amount (€)	%	Amount (€)	%
1	Amount and proportion of taxonomy-aligned economic activities in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
2	Amount and proportion of taxonomy-aligned economic activities in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
3	Amount and proportion of taxonomy-aligned economic activities in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
4	Amount and proportion of taxonomy-aligned economic activities in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
5	Amount and proportion of taxonomy-aligned economic activities in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
6	Amount and proportion of taxonomy-aligned economic activities in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
7	**Amount and proportion of other taxonomy-aligned economic activities not included in rows 1 to 6 in the numerator of the applicable KPI**	-	**0.00%**	-	**0.00%**	-	**0.00%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	-	**0.00%**	-	**0.00%**	-	**0.00%**

Template 4 (Turnover) – Taxonomy-eligible but not taxonomy-aligned economic activities

		Proportion (present information in monetary amounts and percentages)					
		CCM + CCA		CCM		CCA	
Row	**Economic activities**	**Amount (€)**	**%**	**Amount (€)**	**%**	**Amount (€)**	**%**
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	1,616,656	0.07%	1,616,656	0.07%	-	0.00%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	**9,039,461**	**0.41%**	**9,039,461**	**0.41%**	**1,119,959**	**0.05%**
8	**Total amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**10,656,117**	**0.48%**	**10,656,117**	**0.48%**	**1,119,959**	**0.05%**

Template 4 (OpEx) – Taxonomy-eligible but not taxonomy-aligned economic activities

		Proportion (present information in monetary amounts and percentages)					
		CCM + CCA		CCM		CCA	
Row	Economic activities	Amount (€)	%	Amount (€)	%	Amount (€)	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0,00%	-	0.00%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0,00%	-	0.00%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0,00%	-	0.00%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	564,315	1.03%	564,315	1,03%	-	0.00%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	18,199	0.03%	18,199	0,03%	-	0.00%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0,00%	-	0.00%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	**157,264**	**0.29%**	**157,264**	**0,29%**	**157,264**	**0.29%**
8	**Total amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**739,778**	**1.35%**	**739,778**	**1,35%**	**157,264**	**0.29%**

Template 4 (CapEx) – Taxonomy-eligible but not taxonomy-aligned economic activities

		Proportion (present information in monetary amounts and percentages)					
		CCM + CCA		CCM		CCA	
Row	**Economic activities**	**Amount (€)**	**%**	**Amount (€)**	**%**	**Amount (€)**	**%**
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	63,909	0.05%	63.909	0.05%	-	0.00%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%	-	0.00%	-	0.00%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	**2,869,861**	**2.17%**	**2,869,861**	**2.17%**	**2,236,994**	**1.69%**
8	**Total amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**2,933,770**	**2.21%**	**2,933,770**	**2.21%**	**2,236,994**	**1.69%**

Template 5 (Turnover) – Taxonomy-non-eligible economic activities

Row	Economic activities	Amount (€)	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	**1,481,028,131**	**66.76%**
8	**Total amount and proportion of other taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**1,481,028,131**	**66.76%**

Template 5 (OpEx) – Taxonomy-non-eligible economic activities

Row	Economic activities	Amount (€)	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	**21,704,938**	**39.69%**
8	**Total amount and proportion of other taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**21,704,938**	**39.69%**

Template 5 (CapEx) – Taxonomy-non-eligible economic activities

Row	Economic activities	Amount (€)	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	-	0.00%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not included in rows 1 to 6 in the denominator of the applicable KPI**	**54,528,587**	**41.16%**
8	**Total amount and proportion of other taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**54,528,587**	**41.16%**

E1 CLIMATE CHANGE

ESRS E1

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Positive impact	Mitigation of climate change through the production of energy from renewable sources and the offer of products and services aimed at promoting the energy transition (CURRENT)	Short Medium Long	Energy transition and the fight against climate change	*Own operations*
Negative impact	Emission of greenhouse gases into the atmosphere during the activities of the Dolomiti Energia Group and along the value chain (Scope 1, 2 and 3) (CURRENT)	Short Medium Long	Energy transition and the fight against climate change	*Own operations* *Upstream & downstream value chain*
Risk	Reputational damage, sanctions and exposure to disputes and compensation for incidents of gas leaks into the atmosphere due to malfunctions of the Group's plants (e.g., due to inadequate maintenance of gas pipelines; malicious tampering of infrastructures by third parties)	Short Medium	Energy transition and the fight against climate change	*Own operations*
Risk	Difficulty in estimating customers consumption patterns due to the unpredictability of weather/climate conditions accentuated by climate change	Long	Energy transition and the fight against climate change	*Own operations*
Risk	Tightening of the regulatory framework following green guidelines by national and European regulatory bodies, with higher operating expenses for the organisation (e.g., emission control mechanisms)	Long	Energy transition and the fight against climate change	*Own operations*
Opportunities	Increased demand for direct procurement models and flexibility services (Smart Services focus) on the push of regulations and public incentives systems in favour of renewable energy sources (e.g., Energy release, Fer X)	Short Medium	Energy transition and the fight against climate change	*Own operations*
Opportunities	Increase in investments in improved/innovative technological solutions (e.g., hydroelectric power storage plants with pumping) aimed at improving the efficiency of production systems	Long	Energy transition and the fight against climate change	*Own operations*
Opportunities	Competitive advantage of the Group compared to the players that produce energy from fossil sources in terms of lower costs/future investments necessary for the energy transition	Long	Energy transition and the fight against climate change	*Own operations*
Opportunities	Increased demand for energy from renewable sources (hydroelectric, photovoltaic and wind power) in light of regulations in favour of energy transition, with consequent investment opportunities	Long	Energy transition and the fight against climate change	*Downstream value chain*
Opportunities	Increase in public and/or private investments in hydroelectric energy as the only modular and programmable renewable source with a consequent increase in CapEx and ancillary benefits, such as growth in participation in the capacity market, in MACSE and more generally the increase in capture price	Long	Energy transition and the fight against climate change	*Own operations*

STRATEGY

E1-1 TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

To date (31/12/24), the Group does not have a transition plan for climate change mitigation. Therefore, no greenhouse gas emission reduction targets are stated in this consolidated sustainability statement.

MDR-P AND E1-2 POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

The Dolomiti Energia Group (DEG) aims to mitigate and adapt to climate change and energy efficiency starting from its mission: to bring clean, renewable and 100% certified gas, water and electricity to homes, curate urban embellishment and offer innovative energy efficiency and electric mobility services. In particular, the commitment to combat climate change is reflected in the production of energy from renewable sources and in the offer of products and services aimed at promoting the energy transition. This commitment represents a fundamental element of the Group's identity, which it intends to pursue by consolidating the production of green energy and exploiting the opportunities offered by the growing demand for green energy by consumers, by the regulatory development aimed at promoting the energy transition, and by the competitive advantage compared to competitors that do not offer solutions based on renewable sources.

This takes place in harmony with natural resources and with people, because sustainability, in all its nuances, is the distinctive and natural sign of the company and a commitment that has always guided its every action.

This commitment allowed the creation of the Environmental Policy, approved by the Chair, the Chief Executive Officer and the General Manager of Dolomiti Energia Holding (DEH) on 22 December 2017. Continuously updated, the policy inspires all Group practices dedicated to managing impacts, risks and opportunities related to climate change. It establishes the Group's attention to carrying out its activities in a responsible and sustainable manner, recognising the importance of what is internationally shared in this regard (UNI EN ISO 14001 on environmental management systems; ISO 9001 on quality management system); accreditation according to UNI CEI EN ISO/IEC 17025:2005 on laboratory competence; regulations on the administrative liability of entities pursuant to Italian Legislative Decree 231/2001; United Nations Global Compact).

The Environmental Policy is based on the following environmental principles:

- Comply with environmental provisions and technical and legislative standards;
- Implement and periodically assess the Integrated Quality, Environment, Health, and Safety Management System (hereinafter 'Management System');
- Analyse the environmental risks and opportunities in the context in which the Group companies operate on a recurring basis;
- Periodically define environmental protection objectives;
- Provide accurate and timely measurements and reporting on the reference indicators of the Management System;

- Consider the eco-friendly behaviour of all employees as an integral part of Dolomiti Energia Group's values, and, accordingly promote actions and behaviours that support its implementation;
- Manage environmental impacts deriving from the Group's activities responsibly;
- And others, such as promoting climate and environmental protection, sustainable management and innovation, waste reduction and collaboration with stakeholders.

In particular, the Integrated Management System for environment, health and safety, broken down into multiple instruments, is the main means for implementing the Environmental Policy. It allows the companies Hydro Dolomiti Energia Srl (HDE) and Dolomiti Edison Energy (DEE) to not only contribute to climate change mitigation and adaptation, but to also be dedicated to improving environmental standards, product and service quality, and protecting the biodiversity of the places in which the Group operates.

In terms of procedures, planning and monitoring, the Management System is focused on the standards required by UNI EN ISO 14001 and EMAS System certifications and applies to all business processes, with the exclusion of the plants of Dolomiti Energia Hydro Power Srl (DEHP), which will be included in the years to come. In preparing the Management System and its implementation tools, the Group companies give ample consideration to the interests of the parties concerned, favouring the involvement of the most important stakeholders: starting from suppliers and contractors, up to supervisory authorities and local authorities, as well as to all employees. The latter implement the Management System through publication in the company registers (physical and IT); third parties can access them through company websites. The Management System and its tools are also implicitly disclosed, as in the documentation governing relations with stakeholders. Some examples are contractual specifications and, with reference to suppliers and contractors, the requirements of tenders in line with the company's sustainability objectives (such as the request for certifications or the use of low-emission vehicles and equipment). The Management System is enforced by the Chairs and Chief Executive Officers of the companies responsible, in a top-down approach.

The Environmental Policy and Management System described have encouraged the creation of responsible practices in all Group companies, also with reference to issues such as energy efficiency.

To this end, investments have been made in innovative technological solutions, in the modernisation of existing infrastructures, in the launch of processes to extend environmental certification to all services under management and in the implementation of management and continuous improvement plans. For example, in Novareti SpA (a company dedicated to the distribution of natural gas, the management of aqueducts, sewers and cogeneration plants) an environmental management system compliant with ISO 14001 has been implemented and investments will be made in infrastructure and the extension of the environmental certification, which was launched for hydroelectric production and achieved for activities related to natural gas and cogeneration.

The Environmental Policy establishes the process of analysing environmental risks: to prevent the manifestation of these risks, efficiency has been articulated not only in terms of energy but also operations.

First and foremost, this took place thanks to the updating of the control systems (as in Novareti) and the structuring of immediate resolution interventions for spills and finds, as in SET Distribuzione SpA, the company that manages energy distribution networks. These measures make it possible to combat reputational damage and penalties due to plant malfunctions, which may result in natural gas leaks, disruptions or accidents. The objective is therefore to increase infrastructure safety and mitigate any negative consequences for third parties.

Secondly, risk prevention has translated into favouring processes aimed at reducing environmental impacts in as many operations as possible. In SET, with reference to the plant construction process, the solutions with the lowest environmental impact are always considered right from the design phase; this results in the prevalence of the use of underground cables with respect to overhead lines, the positioning thereof outside protected environmental areas where possible, as well as the application of equipment and materials with reduced climate impact. SET itself carries out preventive action in collaboration with the Sustainable Development and Protected Areas Service of the Autonomous Province of Trento to mitigate the impact of power lines on birdlife through the insulation of conductors and insulators in sensitive areas. In addition, the commitment to reducing environmental impact has established research and development processes for cutting-edge methodologies and materials. At SET, for example, this research focuses on construction and material solutions that significantly reduce the risk of incurring environmental damage as a result of accidents.

To further promote the commitment to reduce greenhouse gas emissions, the Group has also created the role of Mobility Manager. The establishment of this role, responsible for monitoring employee commuting and related problems, demonstrates how the Group pursues a holistic approach to sustainability, aimed at the inclusion of its employees in environmental considerations.

The Environmental Policy and the Management System included therein are clearly in line with the strategic decision to consolidate the Group's positioning in the production of renewable energy. Dolomiti believes in the competitive advantage deriving from reduced costs and future investments in an energy system dictated by the energy transition. In this scenario, an increase in the demand for renewable sources is forecast, with a consequent investment opportunity supported by both the public (by regulations and incentives) and by the private sector.

The risk analysis showed that the greater unpredictability of weather conditions associated with climate change can cause difficulties in estimating customer consumption patterns. An efficient forecasting of consumption is fundamental for planning production: this activity has been entrusted to a dedicated office that currently carries out the 'short-term' planning and has already launched a project for the implementation of the 'long-term' planning.

With regard to the risk of stricter green regulatory measures, to date the Group has not yet adopted a specific policy capable of monitoring the development of the national and European regulatory framework and avoiding substantial increases in operating expenses thanks to the prompt implementation of new measures. The uncertainty of regulatory developments has contributed to slowing down the processes of drafting clear and long-term policies, currently under discussion. However, legislative changes are keenly observed in order to seize the opportunities of the regulatory landscape: in the future, once the scenario stabilises, the Group will promptly respond with suitable specific policies to mitigate the risk in question.

MDR-A AND E1-3 ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

ENERGY PRODUCTION

As part of the supply of electricity to the free market, the Group has chosen to offer all its customers and for all of their consumption only 100% renewable electricity certified with Guarantee of Origin. The Group has taken many actions in relation to the production of energy from renewable sources.

For hydroelectric production, a series of preparatory measures were launched in 2024 aimed at developments planned in the two-year period 2025-2026. These include the extension of the scope of plants with EMAS registration. To this end, analyses and inspections have been carried out, with the support of the QSA Department, to verify the eligibility for registration of the plants involved.

Also with a view to improving the management of hydroelectric power plants, the preliminary phase for the extension of the scope of use of the plant management software was launched in 2024. This development, planned for the period 2025-2026, will make it possible to improve the forecasting of water supplies for the most significant production plants.

In addition, a preventive analysis was carried out on the applicability of innovative software and surveillance tools to diversion works with access difficulties. In the coming years, this preliminary study will favour the adoption of innovative technological solutions - developed thanks to the European Sunrise project - to optimise the surveillance activities of remote works.

In the two-year period 2025-2026, the Group also plans to gradually adopt innovative human-machine interface systems, in order to facilitate operators in business operations and improve their operational efficiency.

With a 2025-2027 time horizon, dedicated studies will instead make it possible to implement remote automation and control systems of the regulation bodies of the water catchment works in the riverbed.

Lastly, the Group plans to consolidate the production of energy from hydroelectric sources and the diversification of renewable sources (wind and photovoltaic). With regard to hydroelectricity, once the necessary authorisations have been obtained, flexibility initiatives such as pumping systems will be evaluated.

The actions described involve all the production and management activities of the hydroelectric production plants (located in the provinces of Trento, Treviso and Verona), impacting the entire value chain. Their implementation and the associated costs depend on obtaining authorisations, estimates on the future price of energy, products and materials used and the existence or lack of incentives to benefit from.

The aforementioned actions have a direct effect on climate change mitigation, and associates specific reductions in CO2 emissions. Over the implementation time described, the automation and remote control of the regulation bodies of the catchment works in the riverbed will allow a reduction in emissions of 926.70 tonnes of CO2 (considering a conversion factor of 308.90g/kWh) as per the EMAS 2024 Environmental Declaration. Source: ISPRA 2023). It is estimated that these actions can increase hydroelectric production by approximately 3 GWh. With regard to the adoption of software for forecasting water inputs in all the most significant production plants, an increase in hydroelectric production of 30 GWh is instead expected over the time period considered, corresponding to a reduction in greenhouse gas emissions of 9267 tonnes (considering the same conversion factor).

The actions also involved other renewable sources, such as photovoltaics. In this regard, the necessary actions have been initiated for the construction and operation of a photovoltaic electricity production plant with a peak power of 202.38 kWp (of which 15.18 kWp already in place and 187.20 kWp of new construction). The site concerned is located in the Municipality of Trento, at the municipal aqueduct reservoir. In the same municipality, the construction and operation of a photovoltaic plant with a peak electrical power of 104.16 kWp is planned. The works should be completed by 2025.

For the production of both photovoltaic and wind energy, with the aim of increasing the number of Group plants, the assessment and acquisition of projects under development, both authorised and ready for construction and those hat have already been built and in operation was undertaken.

The actions concerning the valuation and acquisition activities are self-financed and carried out throughout the Italian territory, in a short-term horizon (they will be completed by 2026). Thanks to the target power produced by the plants whose acquisition is planned, a further reduction of CO2 is expected from the contribution of both photovoltaic and wind power plants. As with other projects, there are factors of uncertainty both as regards estimated investments and installed capacity. Additional factors of uncertainty are represented by regulatory developments, changes in existing incentives, scarcity of materials and future energy prices.

During 2024, the Group also took steps to integrate its production with the use of new renewable technologies. In fact, the revamping of thermal energy production plants for the district heating network with the introduction of green hydrogen has been planned. Specifically, the implementation of a hydrolyser in the Rovereto plant was planned, which would allow the production of green hydrogen, and therefore the decarbonisation of district heating. The intervention is expected to be completed in 2026. As per the plan, the project would be financed by 'H2 Brenner Valley', a European tender dedicated to Clean Hydrogen.

In response to the Energy Release 2024 Decree, the Group has also taken steps to exploit the opportunities presented by the evolution of the regulatory context. Energy Release is a mechanism for incentivising the creation of new capacity for generating electricity from renewable sources by energy-intensive end customers, to whom electricity is advanced in the availability of the GSE at controlled prices for three years. From the Group's point of view, intercepting this mechanism means taking advantage of the increased demand for direct procurement models, flexibility and incentive services in favour of renewable energy production. The commercial action developed by the Group is called 'Energy release', is entrusted to EPQ and is aimed at making the Group an aggregator in the field of energy release and offering the market a proposition of individual self-consumption models.

This project will have an impact on the reduction of greenhouse gas emissions estimated at around 1,549 tonnes/year.

NATURAL GAS DISTRIBUTION

The Group uses natural gas to support local communities, providing thermal energy to areas where alternatives with a lower environmental impact are not currently available or carbon neutral technologies are not feasible.

The Group is aware of the possible environmental and climate-altering risks in the use of gas, and in particular of any leaks, thus it ensures the integrity of its assets by constantly monitoring the status of its distribution plants. Monitoring is carried out through scheduled inspections to search for gas leaks, carried out with much higher frequency than dictated by the regulations in force (and as per regulations described in dedicated reports).

Several remote measurement points are installed along all the networks that allow constantly monitoring pressure values, immediately reporting any anomalies to dedicated personnel.

Novareti provides a 24-hour 'fault toll-free number' for reporting network malfunctions identified by third parties and end customers, guaranteeing the arrival of an operational team at the location reported within an hour through an emergency service.

In the event of excavations by third-party companies in areas where distribution networks are present, the company takes action to raise awareness of the proximity of its networks and their characteristics, and to share the requirements set by current legislation in terms of necessary operational preparations. In doing so, the mitigation of the risk of accidents due to possible damage to the pipelines is ensured. The company also has operating procedures for the management of gas emergencies and incidents, which are periodically updated and recorded according to systems compliant with ISO 9000. The implementation of predictive search systems and continuous network monitoring ensure that any malfunctions are not attributable to deficiencies in maintenance. However, the prevention of malicious tampering with network infrastructures remains a complex challenge.

CONSTANT AND RELIABLE ENERGY AND GAS SUPPLY

The Group is committed to ensuring a supply of renewable energy and gas that is both constant and reliable. To this end, a specific initiative was launched to improve energy supply planning, also in light of the greater unpredictability of weather conditions caused by climate change.

The Middle Office of Dolomiti Energia Trading (DET) is responsible for this activity; it aims to optimise energy management, thus also reducing imbalance costs. These costs are applied by the transmission system operators - Terna for electricity and Snam for natural gas - when there is a discrepancy between actual and estimated production.

Currently, the Group adopts a short-term planning approach, which makes use of both external technological solutions, such as Accenture's software for gas and ORS for electricity, and internal solutions. The planning is based on the estimate of the overall consumption of the energy portfolio, processed through the analysis of historical consumption data, integrated with the supply portfolio and accompanied by meteorological information updated twice a day. The forecasts thus obtained are updated daily and cover a time horizon of five days following the forecasting date. This system makes it possible to improve the accuracy of estimates and optimise supply management, contributing to greater sustainability and efficiency of the energy service.

For gas, actions were introduced in 2024 in order to provide the Group with long-term consumption forecasting tools, with the intention of extending the forecasting capacity to the next year with respect to the forecasting execution date. DET was chosen to organise this aspect, as it is already responsible for forecasting operations and therefore has in-depth previous knowledge and the ability to interact with the data necessary for this activity. The ICT department has begun developing additional functions of the tools used for short-term planning, in order to estimate the monthly consumption for the gas supply points. Already in October 2024, the first long-term forecasting results were made available using the five-year average temperatures.

In addition, the methodology is currently being updated, which will make it possible to obtain estimates for each climate scenario and with average temperatures ranging from 1 °C higher to 1 °C lower. Further refinements will concern the inclusion of data not currently covered by the model, such as those related to gas meters with monthly reading and the historical consumption of newly acquired customers (the latter, in accordance with the regulations, starting from April 2025).

As regards electricity, the main changes to date have involved the transition to a short-term forecasting frequency of 15 minutes, as requested by Terna. The objective is to structure long-term forecasting also on this front, and in general to integrate the forecasts with artificial intelligence and analysis tools (such as reporting in Power BI) useful for monitoring the performance and behaviour of end-users.

With regard to planning, the communication activities of the results obtained are substantiated in the monthly illustration of a report for the Chief Executive Officer. In this phase, the main actions involve the assessment of simulation performance, the analysis of trends (such as hourly consumption curves) and sharing results. The human resources involved in forecasting activities operate within the limits imposed by the annual MAPE (Mean Absolute Percentage Error) average error targets and their performance with respect to these is assessed every year. The MAPE objectives related to planned volumes and final volumes for the year 2024 were 7.5% for natural gas and 6% for electricity, and were met.

The planning activity has a considerable degree of certainty, although it can be influenced by the estimates of some energy adjustments. To date, costs related to updates of the forecasting software have already been identified in the budget plan on the basis of the established objectives, and the risks related to the management of forecasting volumes are being reviewed to define the appropriate business model, considering the responsibilities involved and the tools used.

ENERGY EFFICIENCY

Through Dolomiti Energia Solutions (DES) and EPQ, the Group offers services and products related to energy sustainability and efficiency, with the ambitious aim of providing its customers with optimal and resource-friendly solutions. In particular, the Group offers energy efficiency potential assessment services for the industrial and public sectors, and proposes energy recovery measures (for example, relamping traditional public lighting systems with latest generation LEDs and revamping of thermal power plants), renovating existing energy plants to keep them fully efficient and, when possible, enhance and optimise their performance.

The smart services offered also include Power Quality activities on electrical parameters and energy quality, i.e., energy audits and consumption monitoring, as well as the construction of photovoltaic plants for companies and private individuals with a turnkey formula.

Another activity carried out consists of the combination of consumption, generation and storage resources, to offer electricity flexibility services for the management of demand flows to national and local grid operators.

High energy consumption companies are offered support in their strategic activities, helping them to maximise the value of their energy assets also in light of the opportunities offered by regulatory and market developments.

Finally, through its shareholding in Neogy (excluded from the Group's consolidated scope), the Group is engaged in the construction of a network of electric recharging points for motor vehicles.

The Group is also active in the continuous improvement of the energy efficiency of its business operations through specific actions.

For Novareti, actions are planned to increase the efficiency of the thermal power plants, which will allow substantial reductions in gas consumption in the Regulation and Measurement plants.

In fact, by installing five temperature control units of the processed gas in the Regulation and Measurement cabin (RE.MI), it will be possible to automate the preheating with PID control by 2030 and therefore make processes more efficient. The described action sees its funding already included in the 2025 budget and will concern the Pergine Valsugana, Isera, San Michele, Nago and Roverè della Luna sites.

Also in this case, the Group is aware of the presence of certain factors of uncertainty that may influence the results described. The estimated energy savings thanks to the implementation of the preheating system in the cabin is calculated based on the ratio between the gas consumed in the thermal power plants and the gas passed through the cabin. However, this calculation is subject to a certain margin of approximation due to possible errors in the measurement operations, which could affect the estimate of actual energy savings. In addition, the reference data relating to gas consumed and passed through are based on previous years, thus being influenced by seasonal factors and the frequency of natural gas withdrawals from the network.

Also in order to achieve greater efficiency, a multi-year contract was recently signed with an important company in Rovereto for the sale of waste heat generated by production activities in Novareti. To this end, preliminary feasibility checks and tests of the pre-existing infrastructure have already been carried out, and by the end of 2025 the heat withdrawal will be implemented for a share of at least 500 kWht. When the project has completed its inspection phase and will be fully operational, an annual heat exchange of 2,500 MWht is expected, regulated by the contract.

HOME-WORK COMMUTE

In continuity with previous years, also in 2024 the Group's desire to affect the reduction of emissions and traffic through the promotion of sustainable mobility initiatives was confirmed.

During 2024, the Group updated its strategy to reduce the impacts generated by the home-work commuting of employees through surveys on how employees travel and assessments of the structural and logistical conditions of the offices that led to updating the Home-Work Commute Plans (hereinafter HWCP).

The update of the HWCP concerned both the offices of Trento Via Fersina, Trento Tangenziale Ovest and Rovereto Via Manzoni, whose workers had already been involved in previous years for the collection of information on their travel, and the offices of Trento Viale Trieste, Trento Sanseverino, Trento Via Braille, Trento Via Olivetti and Rovereto Via Fornaci, whose workers were involved with a survey to collect information on home-work mobility and the propensity to adopt sustainable mobility solutions.

The extension of the HWCP to smaller locations and offices in the municipality of Rovereto is the result of a voluntary choice of the Group, independent of legal obligations.

MDR-T AND E1-4 TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

To date (31/12/24), the Group is working on the definition of the new Business Plan that will reach 2030 and will be integrated with the ESG Strategy presented in section SBM 3. Therefore, in this consolidated sustainability statement no objective targets are stated and measurable relative to the IROs discussed in this chapter. In any case, the Group constantly monitors the effectiveness of the policies and actions described in the chapter.

MDR-M METRICS

The metrics relating to the material topic Energy transition and the fight against climate change are shown below.

E1-5 ENERGY CONSUMPTION AND PRODUCTION

The energy consumption and energy production of the Dolomiti Energia Group (DEG) were calculated considering the companies over which DEG exercises operational control, which coincide with those within the consolidated scope of the financial statements.

The Group operates mainly in sectors considered to have a high climate impact (reconcilable with section D"Supply of electricity, gas, steam and air conditioning" and E "Supply of water; sewage networks, waste treatment and remediation" of the classification statistics of economic activities (NACE). Therefore, in this reporting exercise, the entire Group was considered to belong to high climate impact sectors and the ESRS requirements related to high climate impact sectors were consequently applied to the total energy consumption made by companies within the consolidated perimeter of the Group.

ENERGY CONSUMPTION

In 2024, the DEG consumed a total of 400,712 MWh of energy, of which 6.0% from renewable sources and 94.0% from non-renewable sources.

Energy consumption from renewable sources	2024 (MWh)
Fuel consumption from renewable sources (biomass, biogas, renewable hydrogen)	0
Consumption of electricity from renewable sources with Guarantee of Origin purchased for Group internal consumption (by offices, production plants and electric vehicles)	7,716
Consumption of electricity from renewable sources with Guarantee of Origin purchased for consumption relating to services provided by the Group (public lighting and management of geothermal plants in private buildings)	4,375
Consumption of self-generated renewable energy	11,906
TOTAL CONSUMPTION OF RENEWABLE ENERGY	23,998
Percentage of renewable sources out of total energy consumption (%)	**6.0%**

Energy consumption from fossil sources	Anno 2024 (MWh)
Fuel consumption from coal and coal products	0
Fuel consumption from petroleum products	29,279
Fuel consumption from natural gas	288,216
Fuel consumption from other fossil sources	0
Consumption of electricity without Guarantee of Origin purchased for Group internal consumption (by offices, production plants and electric vehicles)	59,220
TOTAL CONSUMPTION OF NON-RENEWABLE ENERGY	376,715
Percentage of non-renewable sources out of total energy consumption (%)	**94.0 %**

The consumption of energy from renewable sources includes: the electricity produced and self-consumed by the Group at the hydroelectric power plants and through photovoltaic plants; electricity from renewable sources with Guarantee of Origin purchased by the Group for the consumption of the operating offices and electric cars; electricity from renewable sources with Guarantee of Origin purchased by the Group for consumption related to public lighting services and management of geothermal plants at private buildings.

The consumption of energy from non-renewable sources includes: the consumption of natural gas for the cogeneration and trigeneration plants and for the thermal plants serving the district heating networks; consumption of natural gas for heating the operating sites; fuel consumption for the Group's machinery and heavy vehicles; consumption of fuels and electricity without Guarantee of Origin for cars.

It should be noted that the Group did not consume energy from nuclear sources and that consumption includes that related to cars granted as fringe benefits to employees.

Considering the "Total revenues and other income" reported in the Income Statement, the energy intensity calculated as total energy consumption compared to the Group's revenues and other income in 2024 is 0.17 MWh/€k.

ENERGY PRODUCTION

In 2024, the Dolomiti Energia Group produced a total of 5,070,903 MWh of energy, of which 97.6% from renewable sources and 2.4% from non-renewable sources.

Energy production from renewable sources	2024 (MWh)
Energy production from hydroelectric power plants	4,945,480
Energy production from photovoltaic plants	1,007
Energy production from geothermal plants	605
RENEWABLE ENERGY PRODUCTION	4,947,092
Percentage of renewable sources out of total energy production (%)	**97.6%**

Energy production from non-renewable sources	2024 (MWh)
Electricity production from cogeneration and trigeneration plants	44,810
Thermal energy production from cogeneration and trigeneration plants	74,718
Cooling energy production from cogeneration and trigeneration plants	4,284
TOTAL NON-RENEWABLE ENERGY PRODUCTION	123,811
Percentage of non-renewable sources out of total energy production (%)	**2.4%**

The production of energy from renewable sources includes the energy produced at the Group's hydroelectric power plants and photovoltaic plants, while the production of energy from non-renewable sources includes the production of electricity, thermal and cooling energy at the cogeneration plants and Group trigeneration.

E1-6 GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

The Group's greenhouse gas emissions have been calculated considering the companies over which the Dolomiti Energia Group (DEG) exercises operational control, which coincide with those within the Consolidated Financial Statements.

The emissions were calculated following the indications of the ESRS and the guidelines of the Greenhouse Gas Protocol and consider the following greenhouse gases: CO2, CH4, N2O, HFC, PFC, SF6 and NF3 (converted into CO2 equivalent).

GHG emissions (tCO2eq)

	2024
Gross Scope 1 emissions	67,595
Gross Scope 2 emissions (Location-based)	33,749
Gross Scope 2 emissions (Market-based)	59,716
Gross Scope 3 emissions	900,374
Total GHG emissions (Location-based)	1,001,719
Total GHG emissions (Market-based)	1,027,686

SCOPE 1

Scope 1 emissions include the greenhouse gases emitted directly by the Group during business operations and include: emissions associated with the consumption of natural gas for the production of electricity, heating and cooling at the Group's cogeneration and trigeneration plants; the emissions associated with the consumption of natural gas for the thermal power plants serving the Group's district heating networks; the emissions associated with fuel consumption for the Group's machinery, heavy vehicles and cars (including those granted as fringe benefits to employees); fugitive emissions of refrigerant gases used in the Group's offices.

The UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Fuels, Bioenergy, Refrigerant & other emission factors were used to calculate the emissions.

Emissions due to natural gas leaks from the distribution networks managed by the Group were not reported, as the information systems are still being implemented to quantify them.

In 2024, the Group did not consume biomass for energy production; therefore, the biogenic GHG emissions deriving from the combustion or biodegradation of biomass are equal to 0. However, the biogenic emissions associated with the share of biofuels present in the diesel and gasoline consumed by the Group, which amount to 287 tCO2e, have been calculated. Biogenic emissions are not included in the table. The UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Outside of scopes emission factors were used to calculate the emissions.

Scope 1 greenhouse gas emissions regulated through the Emission Trading Scheme (ETS) amounted to 15.7% of the total.

SCOPE 2

Scope 2 emissions include greenhouse gases emitted indirectly by the Group in the course of its business operations and include: emissions associated with the consumption of electricity purchased by the Group for the consumption of operating sites and electric cars (including those granted as fringe benefits to employees); emissions associated with the consumption of electricity purchased by the Group for public lighting services and management of geothermal plants at private buildings; emissions associated with the loss of electricity along the distribution networks managed by the Group.

Scope 2 greenhouse gas emissions are calculated according to two different methods:

- The location-based method involves the use of average emission factors linked to specific national energy mixes for electricity production. To calculate location-based emissions, the emission factors ISPRA Efficiency and decarbonisation indicators in Italy and in the biggest European Countries, edition 2024 - Emissions factors in the power sector were used;
- The market-based method envisages the use of emission factors defined on the basis of contractual arrangements with the electricity supplier - such as Guarantees of Origin from renewable sources - or, in the absence of such agreements, the emission factor related to the national residual mix, i.e., the part of the national energy mix generated by non-renewable sources. The AIB Residual Mixes 2023 emission factors were used to calculate the market-based emissions.

The consumption of electricity self-consumed by the Group at the cogeneration and trigeneration plants is not considered for the calculation of scope 2 emissions, since the emissions associated with energy production are already considered within scope 1 emissions.

The consumption of electricity produced at the hydroelectric power plants and through the Group's photovoltaic plants and self-consumed are not considered for the calculation of scope 2 emissions, since the emissions associated with energy production are already considered within scope 1 emissions and are equal to 0, as energy production is exclusively from renewable sources.

SCOPE 3

Scope 3 emissions include greenhouse gases emitted along the Group's value chain. In this consolidated sustainability statement, the Group reports the emissions associated with the following four Scope 3 categories (as defined by the GHG Protocol, as the most material were considered based on the Group's business model).

Category 3 - Fuel and energy-related activities not included in Scope 1 or 2:

- Category 3.a: greenhouse gas emissions associated with the extraction, processing and transport of the fuels used by the Group. The UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - WTT fuels and WTT bioenergy were used to calculate the emissions.
- Category 3.b: greenhouse gas emissions associated with the extraction, processing and transport of fuels used to generate the electricity purchased for the Group's consumption. It should be noted that to calculate these emissions, electricity purchased with a Guarantee of Origin from renewable sources was not considered. The UK Government Conversion Factors for greenhouse gas (GHG) reporting 2021 - WTT UK & overseas electricity (electricity generation - Italy) were used to calculate the emissions.
- Category 3.c: greenhouse gas emissions associated with transmission and distribution losses on the electricity distribution networks purchased for Group consumption. To calculate the network losses, the ARERA 2024 average loss factors (percentages of electricity loss on networks with the obligation to connect with third parties) were used. To calculate the emissions, the emission factors ISPRA Efficiency and decarbonisation indicators in Italy and in the biggest European Countries, edition 2024 - Emissions factors in the power sector were used.

It should be noted that part of the grid losses considered in this category could also be included in the greenhouse gas emissions considered in the calculation of Scope 1, since part of the electricity purchased by the Group may also have been distributed on networks managed by the Group itself. Therefore, there is a risk of double counting for this category.

Category 6 - Business trips:

Greenhouse gas emissions from the use of fuels and from hotel stays during business trips. The UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Business travel air and Business travel land were used to calculate the emissions associated with fuel consumption. For the calculation of the emissions associated with hotel stays, the emission factors from the UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Hotel Stay (Italy) were used.

Category 7 - Home-work commute:

Greenhouse gas emissions associated with the use of fuels for the home-work commute of employees. For the calculation of emissions, the average days of in-office work and the average km of daily commute by car, train or bus of employees of the offices of Trento Via Fersina, Trento Tangenziale Ovest and Rovereto Via Manzoni (which amount to 59% of total Group employees as at 31/12/24). For the remaining 41% of employees, an estimate was made considering the average per capita emissions calculated on the previously described sample and the UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Business travel land emission factors were used.

Category 11 - Use of products sold (natural gas):
Greenhouse gas emissions associated with the use of natural gas sold by the Group. The UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Fuels were used to calculate the emissions.

GHG emissions (tCO2eq)

	2024
SCOPE 1 GHG EMISSIONS	
Gross Scope 1 GHG emissions	67,595
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	15,7 %
SCOPE 2 GHG EMISSIONS	
Gross Scope 2 GHG emissions (Location-based)	33,749
for the Group's internal energy consumption	17,176
for losses on the grid managed by the Group	15,451
for consumption relating to services provided by the Group (public lighting and management of geothermal plants in private buildings)	1,123
Gross Scope 2 GHG emissions (Market-based)	59,716
for the Group's internal energy consumption	29,610
for losses on the grid managed by the Group	30,106
for consumption relating to services provided by the Group (public lighting and management of geothermal plants in private buildings)	0
SIGNIFICANT SCOPE 3 GHG EMISSIONS	
Total gross indirect (Scope 3) GHG emissions	900,374
3) Activities related to fuel and energy (not included in Scope 1 or Scope 2)	17,275
3.a Upstream activities - Fuels purchased	11,438
3.b Upstream activities for production of the energy purchased	5,179
3.c Transport and distribution of energy purchased	659
6) Business trips	64
7) Home-work commute	1,061
11 Use of products sold (natural gas)	881,434

Considering the "Total revenues and other income" reported in the Income Statement, the Group's emission intensity calculated as total greenhouse gas emissions (location-based) compared to the Group's revenues and other income in 2024 is equal to 0.43 tCO2e/€k, while the Group's emission intensity calculated as total greenhouse gas emissions (market-based) compared to the Group's revenues and other income in 2024 is 0.44 tCO2e/€k.

E1-7 GHG REMOVALS AND GHG MITIGATION PROJECTS FINANCED THROUGH CARBON CREDITS

The Dolomiti Energia Group (DEG) offsets 100% of the CO2 emitted by the gas consumed by its domestic customers and by the companies that have chosen its 'Gas 100% Compensa CO2' offers. The offsetting takes place through the purchase and retirement of carbon credits generated by sustainable development projects that reduce greenhouse gas emissions and promote their biogenic absorption at global level, and which are certified by the main international organisations accredited by Verra and Gold Standard.

The Group does not absorb and store greenhouse gases as part of its business operations or along the upstream and downstream value chain.

During 2024, carbon credits for a total of 218,139 tCO2e were retired, of which 10,000 relating to gas consumption by customers in 2024, 208,065 tCO2e relating to gas consumption by customers in 2023 and 74 tCO2e relating to gas consumption by customers in 2022.

95% of the carbon credits retired in 2024 were certified by Verra and the remaining 5% by Gold Standard. All projects for reducing and absorbing greenhouse gas emissions associated with the credits retired in 2024 are located outside the European Union.

For this year, the Group is not able to indicate the percentage of retired carbon credits that can be considered a corresponding adjustment under Article 6 of the Paris Agreement.

The Group estimates that carbon credits will be purchased and retired in 2025 for a total amount of 269,365 tCO2e, of which 173,559 tCO2e already contracted.

In the section 'Marchio Compensa CO2' of its website, the Group promotes the supply of gas that is defined as 'neutral', as it requires the carbon dioxide emissions linked to its use to be offset. This service/product is also promoted through the company's commercial materials (e.g., brochures, flyers, company presentations, etc.). The main projects financed are presented in the 'Perché sostenibile' section of the website.

In addition, each year a report is made available to business and domestic customers supplied with 'Gas 100% Compensa CO2', showing their consumption in the previous year and the amount of carbon dioxide that was offset.

Public claims of greenhouse gas neutrality involving the use of carbon credits are not accompanied by greenhouse gas emission reduction targets.

ENTITY-SPECIFIC METRICS

EMISSIONS AVOIDED AND OFFSET THANKS TO THE GROUP'S GREEN SERVICES

The greenhouse gas emissions avoided and offset thanks to the Group's green services are shown below. In particular, the emissions avoided thanks to the consumption of 100% renewable electricity certified with a Guarantee of Origin sold by the Group were considered, the emissions entirely offset with carbon credits deriving from the gas consumption of the Gas 100% Compensa CO2 offer and emissions avoided thanks to the reduction in customer consumption achieved through the Puro LED and Power Quality solutions.

Emissions avoided and offset thanks to the services offered by the Group	tCO2e
100% renewable electricity certified with Guarantees of Origin	876,367
CO2 offset gas	279,305
Pure LED	4
Power quality	2
TOTAL	1,155,678

*https://www.dolomitienergia.it/approfondimenti/storie/marchio-compensa-co2.html

HOME-WORK TRAVEL PLAN

In 2024, the implementation of the Home-Work Travel Plan entailed the following.

- The recognition and enhancement of remote forms of work (agile and remote work) as a way of reducing emissions, resource consumption and traffic congestion. During 2024, over 1,600,000 km of vehicle travel savings were estimated for the entire Group due to remote work, with an estimated environmental benefit of approximately 269 tonnes of CO2 avoided;
- The use of local public transport is promoted by the Group through a contribution to the subscription costs incurred by employees;
- The use of the JojobRT app to facilitate home-work commuting on foot or by bicycle/scooter; with this initiative, cash back incentives were provided for workers and over 81,000 km of travel by car were saved, with an estimated environmental benefit of around 11 tonnes of CO2 avoided;
- Promotion of the use of bicycles for home-work journeys, including through the provision of protected parking spaces and free electric charging stations within the company perimeter of main offices;
- The encouragement of workers to carpool through the availability, starting in November 2022, of a special app - JoJobRT - which facilitates the matching of demand for mobility and the corresponding supply. Carpooling is also supported by the Group through a form of cashback that rewards both drivers and passengers. The data collected through the app during the year quantified the avoided emissions of approximately 14 t of CO2, with over 104,000 km of vehicles saved.

In September, on the occasion of the European week of sustainable mobility, the Group further incentivised the choice of mobility attentive to environmental impacts, doubling the cash back for all journeys on foot, by bike/scooter or carpooling. In addition, in order to achieve even greater involvement, the Group offered an extraordinary award for the best workers in the field of mobility behaviour according to various rankings (in terms of number of trips and number of kilometres saved in both in carpooling and cycling/walking).

Estimates of the emissions avoided by travelling on foot, by bicycle/scooter, or by carpooling were processed through the JojobRT home-work mobility app on the basis of the journeys reported by registered employees (approximately 490 people). Estimates of emissions avoided thanks to remote work were estimated using the UK Government Conversion Factors for greenhouse gas (GHG) reporting 2024 - Fuels emission factors.

ENERGY EFFICIENCY CERTIFICATES

The Energy Efficiency Certificates (white certificates) mechanism that came into force in 2005 is the main instrument for promoting energy efficiency in Italy. The Interministerial Decree of 11 January 2017, published in the Official Gazette of the Italian Republic on 3 April 2017, confirmed that for each year after 2016 (in line with previous years), electricity and natural gas distributors (the ‘Obligated Parties’) with more than 50,000 end customers connected to their distribution network on 31 December of two years prior to the years of obligation are subject to the energy saving obligations.

With the Decree of 21 May 2021, the Interministerial Decree of 11 January 2017, as amended by the Decree of the Minister of Economic Development of 10 May 2018, was updated, defining the national quantitative energy saving targets to be pursued by electricity and gas distribution companies for the years 2021-2024 through the white certificates mechanism.

Each distributor of electricity and natural gas subject to the obligations must fulfil them pro rata and these shares are determined by the ratio between the quantity of electricity or natural gas distributed by each of them to the end customers connected to their networks and the quantity of electricity or natural gas distributed throughout the national territory by all the undertakings subject to the obligation, both counted in the calendar year two years preceding each year of the obligation.

ARERA, the Regulatory Authority for Energy, Networks and Environment, annually determines the share of the obligations of each distributor subject to the obligations and communicates these shares to MASE and GSE.

The Obligated Parties can fulfil the mandatory savings obligation in two ways:

- Directly implementing energy efficiency projects eligible for the mechanism;
- Purchasing securities from other entities admitted to the mechanism.

Energy Efficiency Certificates are negotiable securities certifying the achievement of savings in energy end-use through energy efficiency measures and projects. One certificate is equivalent to saving one Tonne of Oil Equivalent (TOE).

Within the Dolomiti Energia Group, the obligations for 2024 were divided as follows:

- SET has fulfilled an obligation of 9,032 EECs;
- NOVARETI fulfilled an obligation of 15,659 EECs.

E3 WATER AND MARINE RESOURCES

ESRS E3

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Positive impact	Constant supply of drinking water to the affected communities, through continuous monitoring of network performance with a view to reducing losses and guaranteeing quality/potability (CURRENT)	Short Medium Long	Sustainable management and protection of water	*Own operations*
Negative impact	Incidents of interruption in the supply of drinking water to communities due to accidents or natural disasters (POTENTIAL)	Short Medium	Sustainable management and protection of water	*Own operations*

MDR-P AND E3-1 POLICIES RELATED TO WATER AND MARINE RESOURCES

HYDROELECTRIC PRODUCTION

The Group's hydroelectric power plants allow the production of environmentally friendly energy without the emission of pollutants and with a low impact on the water resources, as it is used in the production process and then released without having undergone alterations.

The protection of water resources is guaranteed through compliance with the Environmental Policy described in section E1-1.

The water used for hydro-electrical production is collected mainly from rivers and lakes while guaranteeing the ecological flow and the uses of the resource by the lands downstream. A constant amount of water, or a seasonally modulated amount where required, is released downstream of the water collection point in order to safeguard the water flora and fauna and the continuity of the waterway's environment. The hydroelectric power plants and the reservoirs are managed by optimising the resource depending on the variable weather patterns.

The assessment of the quality of the Trento region's waterways, in compliance with the European directive on waters, is entrusted to the Water Protection Plan. This plan is an excerpt of the General Plan for the Use of Public Waters. The main document is a map classifying rivers and lakes based on the conservation state of the natural conditions of the associated ecosystem. Data analysis of the map shows that the hydroelectric usage associated with the Group's plants is not particularly critical for the waterways involved.

Since some hydroelectric power plants are located within protected areas, any type of interference potentially impacting the environment is identified in advance, monitored and managed by the staff of the Group's hydroelectric production companies. Any civil and mechanical works located in protected areas are designed to avoid or minimise possible impacts on the environment. It is then submitted for evaluation to the competent bodies responsible for environmental protection and the conservation of protected areas.

The collaboration with public bodies or private entities involved in the management of a given impact is usually defined according to an agreement or convention. For example, for verifying and controlling the correct release of the minimum vital flow, the Group cooperates with fishermen's associations located throughout the territory in order to carry out checks at the intake works and draw up specific inspection reports. Instead, for the management of artificial reservoirs when extreme events take place, the Group works with the Autonomous Province of Trento according to a special procedure for managing flood events in watercourses (Civil Protection Documents for large dams), which is adapted from time to time to the provisions issued by the Province on Civil Protection matters.

Water withdrawals from springs or wells are determined by regular concessions, issued by the competent authority (APRIE, the Provincial Water Resources and Energy Agency), which also assesses whether or not it is necessary to envisage the release of the minimum vital water flow. No water withdrawals have been made from water-stressed areas in the last three years.

The flow of water used by hydroelectric power plants for energy production is returned to the environment unaltered, therefore current legislation does not classify it as consumption.

WATER CYCLE MANAGEMENT

The Dolomiti Energia Group handles the entire water services (rainwater and sewer networks), excluding purification, through the company Novareti. The company manages the service for over 76,000 utilities (around 200,000 inhabitants) located mainly in the Valle dell'Adige axis of the Province of Trento.

The managed water supply systems are supplied both by collecting from surface sources and from groundwater by way of wells or by draining off. The water distributed comes from springs or wells, regulated by concessions issued by the responsible Authority (APRIE, Provincial Agency for Water Resources and Energy) to the individual Municipalities. The Authority also assesses the need to provide for the release of the minimum vital outflow and manages reports and collections of information to prevent and manage any water stress phenomena in the areas of the Autonomous Province of Trento.

The main policies in place are aimed at minimising the risk of aqueduct contamination episodes and interruption of the drinking water supply and have a positive impact on the quality of the resource.

The Water Service Charter, drawn up in enforcement of Italian Prime Ministerial Decree of 27 January 1994 and 29 April 1999, establishes the principles for the provision of aqueduct and sewerage services and constitutes a precise choice of clarity and transparency in the relationship between Novareti, the service manager, and customers. It is thanks to the Water Service Charter that the individual citizen can know what to expect from the service manager and, at the same time, check that the commitments are respected. The Water Service Charter is available and can be publicly consulted on the Novareti website.

The company is also adapting to comply with the requirements of Italian Legislative Decree 18/2023, whose objective is to guarantee the protection of human health from the negative effects deriving from the contamination of water intended for human consumption, ensuring that water is healthy and clean, as well as promoting the improvement of access to water intended for human consumption.

The legislation envisages for several changes, including the adoption of precise analytical criteria for water assessment, adjustments to the sampling plan, the offer to users of greater accessibility to the qualitative analyses of the water resource and the request for operators to adopt Water Safety Plans (WSP) drawn up according to precise methodological indications.

According to the indications set forth in the current decree, the sampling plans are reviewed annually and take into account the volume of water distributed and the number of inhabitants served. Their preparation is necessary for the subsequent verification of the chemical, physical and microbiological characteristics of the resource. The results of the analyses are made available according to the intervals envisaged by the current decree through the "Water we drink" section of the company website, from which useful tips are also provided to users for an informed use of the water resource, capable of encouraging a reduction in waste and to highlight the opportunities deriving from the quality of tap water.

The time horizon envisaged by the decree for the implementation of the Water Safety Plans sets out the maximum deadline of 12/01/2029, and Novareti is currently working to develop the WSP for the municipality of Rovereto, which it expects to complete on time.

As anticipated, the company is launching the environmental management certification process in compliance with ISO 14001, reflecting its commitment to the responsible use of natural resources and the reduction of environmental impact. The responsibility for the actual application of the certifications is entrusted to the Board of Directors.

Once obtained, the certification will be presented publicly through dedicated meetings, not only with local administrations and provincial commissions, but also with museums, schools and the local press, with the aim of ensuring maximum transparency and raising awareness on the issue.

In addition to representing a recognition of the company's environmental commitment, the certification will serve as a reference in the definition of company objectives. In particular, in tenders for works and supplies, the company undertakes to request requirements consistent with these objectives, such as the environmental certification of the participating companies.

In addition, the company undertakes to follow the relevant indicators imposed by the Autonomous Province of Trento and the Municipality of Trento. In particular, the Province outlines useful monitoring KPIs (not yet mandatory), while the Municipality of Trento annually requests data relating to the control of hydrants, the kilometres of network replaced and the kilometres of leak detection. Again in accordance with the requests of the Municipality, the company undertakes to monitor and maintain the concentration of arsenic in the network equal to or less than 5 μg/L following its abatement.

MDR-A AND E3-2 ACTIONS AND RESOURCES RELATED TO WATER AND MARINE RESOURCES

HYDROELECTRIC PRODUCTION

Every year, the Group companies that adhere to EMAS (EU Eco-Management and Audit Scheme) registration, as part of the required assessments, carry out an evaluation of the direct and indirect negative impacts on the environment potentially connected to the operation of hydroelectric power plants (e.g., due to the presence of buildings in the environment and dams in watercourses, reduction of water flows, discharges, etc.) and to the activities carried out by staff (such as maintenance on electrical and mechanical works and civil structures). The possible impacts were analysed while considering any assets and works belonging to the owned and operated facilities and by screening normal and non-normal (start-ups, shutdowns, emergencies, accidents), foreseeable and unforeseeable operating conditions. In addition, ordinary and extraordinary maintenance activities as well as ongoing project activities were considered.

The assessment process is governed by a procedure that calls for the updating (during the Management Review, as required by the integrated safety and environmental management system) of the relevant information contained in a special register of environmental impacts. The assessment of the effects of the production activity is prepared on the basis of EC Regulation 1221/2009 - amended by EU Regulation 1505/2017 and now also by EU Regulation 2018/2026. This regulation assesses the significance of both 'direct' impacts, i.e., under the direct control of the organisation, and 'indirect' impacts, i.e., originating from interaction with third parties (contractors, subcontractors, suppliers, customers, product users) who may, to a reasonable extent, be influenced by the organisation. For each impact, including those related to water resources, the level of significance, the associated environmental risk and the measure to be taken are calculated. For all environmental aspects, the measures taken also comply with the requirements of the specific sector legislation. For impacts considered significant, a specific procedure is to be adopted.

WATER CYCLE MANAGEMENT

The Group actively protects the water resource to ensure a constant and quality supply to all affected communities.

In general, the service is committed to managing and maintaining collection and storage works and to guaranteeing the quality of the resource through hypochlorite, dioxide, UV lamps and arsenic abatement systems.

Ordinary activities are planned to optimise internal resources, while extraordinary activities are validated by hydraulic analyses carried out using numerical simulators.

In addition Novareti uses evolved systems for advanced real-time water network management, which make it possible to optimise network pressure, reduce leaks, reduce electricity consumption and, in general, increase the efficiency of the water system.

More specifically, the objective is to optimise the water resource along the entire drinking water supply production chain in order to reduce the amounts of water withdrawn. With this in mind, multiple activities were planned in the areas of the Municipalities of Trento and Rovereto during 2024. First of all, the search for water leaks, supported by the constant study of the systems present in the market and the implementation of new cutting-edge instruments. In order to guarantee service continuity, programmed leak search activities are carried out along the aqueduct network along with checks to ensure that the water supply system is operating properly and to verify the static conditions of the sewerage network. Novareti has personnel constantly employed in monitoring and searching for hidden network leaks by means of virtual simulations and network sensors. Their activity is then guided by the analysis models of the minimum night-time consumption active in the various hydraulic districts of the network.

In addition, Novareti works to optimise network management and reduce pressures through two projects in particular: the one launched in 2024 and financed by the NRRP for the division of the municipality of Rovereto into districts (which will see its key actions implemented by March 2026); and that of interconnection between the Municipalities of Trento and Rovereto, still under evaluation (PNIISSI).

In addition, the verification of resource quality is fundamental and is supported by the internal sampling plan, revised by increasing the number of control points and analytical metrics in order to guarantee quality in all areas under management. The activity of defining the safety plans envisaged by the regulations (WSP, dictated by Italian Legislative Decree 18/2023) certainly plays a material role in mitigating the risks linked to the drinking water supply production chain. Lastly, the assessment related to projects for the renovation of some collection and storage works may favour the improvement of the sites under management.

The Group is also committed to taking action on any negative impacts on the water resource, such as interruptions in the drinking water supply to communities due to accidents or natural disasters. In this regard, to promote supply continuity through targeted works, various actions were implemented in Trento and Rovereto in 2024. Some of these include changes to the network assets to cope with the renovation of the Ravina bridge, the construction of the new Fovi reservoir (in Valsorda) and the refurbishment of the plant captation at Zugolini. The Group also avoided the use of pumping from the San Rocco reservoir, instead using the surplus sources (Node and Camina) for back-up in the event of an electrical fault. Finally, the planning for the restructuring of some works for 2025 will be assessed (such as for the former Mattarello well and the Gazzadina reservoir).

Other negative impacts can concern episodes of contamination of the aqueducts, with consequences on the health of water network users. The implementation of sampling plans is the main action taken to monitor the quality of the water resource, both at the source and in the network. In addition, extraordinary sampling plans are implemented after extreme events. Moreover, also in this case, the safety plans (WSP) will be essential to assess possible risks related to the drinking water supply production chain.

Contamination can also be malicious: remote monitoring of accesses to various points of the network prevents the entry of unauthorised people and thus prevents possible external pollution. Also through remote control, the quality of the water resource is monitored in order to capture any increase in suspended solid particles. The activity is carried out on an ongoing basis, unless otherwise specified.

Finally, to guarantee supply continuity, Novareti offers an emergency service that is always active in the event of interruptions caused by force majeure events, breakdowns, scheduled maintenance and that necessary for the proper functioning of the systems to ensure service quality and safety. The collection and distribution of water is remote controlled by a 24-hour system that monitors the operation of the networks and plants.

ENVIRONMENTAL SERVICES: FROM COLLECTION TO SWEEPING

All the water used in the DA production process is taken from the water supply system and used to wash the vehicles used for waste collection, the waste storage platforms as well as supplying the sanitary facilities. Any water that is potentially polluted is sent to a biological purification plant owned by the company and located inside the area where production takes place and where the water is put back into the environment. After treatment, the wastewater is delivered back into the drainage system in the Trento area. At the Rovereto site, water used for washing is collected in a watertight tank and periodically pumped out to be delivered to treatment plants. DA takes great care to monitor and optimise the processing of wastewater and to safeguard the quality of the water and of the environment into which it is reintroduced.

MDR-T AND E3-3 TARGETS RELATED TO WATER AND MARINE RESOURCES

To date (31/12/24), the Group is working on the definition of the new Business Plan that will reach 2030 and which will be integrated with the ESG Strategy presented in section SBM 3. Therefore, in this consolidated sustainability statement no objective targets are stated and measurable relative to the IROs discussed in this chapter. In any case, the Group constantly monitors the effectiveness of the policies and actions described in the chapter.

MDR-M - METRICS

The metrics relating to the material topic Sustainable management and protection of water resources are shown below.

ENTITY-SPECIFIC METRICS

WATER SERVICE COLLECTION AND LEAKS

In 2023, the aqueduct system managed by Novareti distributed 26.6 million cubic metres of water along the 1,468 km of network. The collection is managed as follows: approximately 70% of the withdrawal is from spring water and the remaining 30% from groundwater.

The leaks recorded in the water distribution network managed by Novareti are shown below. It should be noted that the data reported refer to the year 2023, as the data for 2024 are not yet available.

Losses in water transmission and distribution		Value
Technical losses	m3	5,793,553
Commercial losses	m3	2,918,955
TOTAL LOSSES	m3	1,155,678

WATER WITHDRAWAL OF THE HYDROELECTRIC POWER PLANTS

The water withdrawn for hydroelectric production in 2024 amounted to 22,111.5 million cubic metres, of which 4.88% withdrawn in areas with high water stress.

As mentioned, it is returned to the environment clean without significant alterations both in terms of temperature and composition, thus guaranteeing the continuity of the water environment.

Note that the figure indicated is from an estimate based on the energy coefficient correlating the energy produced and the flow rate from each hydroelectric plant, except DEHP plants for which water withdrawal was estimated based on the power/flow rate (P/Q) ratio of each production unit and the actual energy production figures.

E5 RESOURCE USE AND CIRCULAR ECONOMY

ESRS E5

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Positive impact	Effective waste recovery and recycling activities with consequent reduction of environmental impacts, also with a view to circular economy (CURRENT)	Short Medium Long	Responsible and sustainable waste management	*Own operations*
Positive impact	Effective waste recovery and recycling activities with consequent reduction of environmental impacts, also with a view to circular economy (CURRENT)	Short Medium Long	Responsible and sustainable waste management	*Own operations*

MDR-P AND E5-1 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Dolomiti Ambiente Srl (DA) is actively committed to the transition towards a circular economy model, in compliance with current environmental legislation and in particular with the fifth update of the Provincial Waste Management Plan. In fact, the company's mission is to promote sustainability through efficient waste management, minimising environmental impact and encouraging the recovery and reuse of resources to build a more responsible and environmentally friendly future.

The Integrated Strategy of the Waste Collection and Transport and Street Sweeping Service guides the company's overall approach to waste management and reflects DA's commitment to promoting environmental, social and economic sustainability, as well as protecting the health and safety of employees and in satisfying customer needs.

Through the strategy, the company is committed to researching the best technologies available for equipment and the best working methods to protect workers' health and safety, with particular attention to the prevention of accidents and occupational diseases, as well as improving the satisfaction of collaborators.

A key element of DA's strategy is the promotion of digitalised systems and processes, which make it possible to improve the efficiency and effectiveness of services. The company constantly invests in the renewal of its fleet, introducing zero-emission vehicles to minimise consumption and polluting emissions, thus contributing to improving air quality and reducing the environmental impact of its activities.

The Integrated Quality, Safety and Environment Management System adopted by the company aims to:

- Ensure the sustainable development of company activities;
- Pursue continuous improvement to promptly and professionally respond to customer needs;
- Ensure compliance with current legislation;
- Research and adopt the best technologies and equipment to maximise service efficiency.

The DA waste management process is guided by fundamental general principles in line with national and EU regulations, which ensure that the processes are carried out:

- Avoiding damage or danger to the health, integrity, well-being and safety of the community and individuals;
- Guaranteeing compliance with health and hygiene requirements and preventing any risk of air, water, soil and subsoil pollution, as well as any inconvenience deriving from noise and odours;
- Safeguarding fauna and flora and protecting the environment and landscape from all forms of degradation;
- Respecting the requirements of quality of life and economic and territorial planning;
- Pursuing the best possible results in reducing waste production, recovery and recycling, in compliance with the principles of empowerment and cooperation of all parties involved in the life cycle of goods.

DA also adheres to reference standards and regulations, including: Municipal Regulations, Provincial Waste Management Plan, ARERA Regulations (TQRIF and TITR), ISO 9001, ISO 14001 Certifications and EMAS Regulation.

The policies are made accessible to interested parties through internal channels and digital communication tools for citizens, including the application Junker, the company website and social channels such as LinkedIn. This approach ensures the active engagement of the community and stakeholders, promoting sustainable solutions that improve the quality of life and protect the environment.
DA actively collaborates with local public bodies to carry out information and awareness-raising campaigns on separate waste collection, while ensuring a careful and timely response to customer requests. In addition, the company constantly optimises the municipal waste management service - also through the rationalisation of routes - and is committed to using, where possible, products made with recovered and/or environmentally friendly materials.

MDR-A AND E5-2 ACTIONS AND RESOURCES IN RELATION TO RESOURCE USE AND CIRCULAR ECONOMY

DA has implemented a wide range of actions aimed at improving operational efficiency, reducing emissions and promoting a circular economy model. The main objectives include improving driving conditions and vehicle maintenance to reduce machine downtime and protect workers' health and safety conditions, with a consequent reduction in accidents, illnesses and absenteeism.

SUSTAINABLE MOBILITY

In the field of sustainable mobility, the company is experimenting with small electric vehicles and sweepers powered by renewable sources, with benefits linked to the reduction of emissions, noise and noise pollution. The conversion of vehicles from diesel to electric is also underway, also evaluating LCA analyses to measure the environmental impact.

To carry out the mechanical sweeping service, DA uses mechanical/suction sweepers with both endothermic and fully electric traction, on which biodegradable and non-toxic hydraulic oil for the aquatic environment is used. The work of these machines is supported by workers on the ground provided with manual equipment (electrically operated blowers with batteries) for sweeping the pavement and the sides of the roadways with parked cars.

Together with mechanical sweeping, the waste collection service is also one of the best fields of application for electric traction vehicles (BEVs), as the distances travelled are relatively short and scheduled, and at the end of the shift the vehicles are always restored at the operating sites where the necessary charging infrastructure is provided.

In addition to the benefits in terms of reduced greenhouse gas emissions, the progressive electrification of the fleet allows for greater safety and comfort in driving, noiselessness and low vibrations, manoeuvrability at low speeds and the total absence of exhaust gases.

The current total car fleet of DA has an average age of around 6.5 years; of these, 81% of vehicles are Euro 6 or higher and 28% of the total are electrically powered. The suppliers of these vehicles are national and international companies specialised in the environmental sector, which use specific technologies.

In addition, the implementation of the VRS (Vehicle Routing and Scheduling) system on the company fleet has made it possible to plan and optimise the routes of the vehicles, reducing distances and, consequently, greenhouse gas emissions. The system monitors vehicle status in real time, allows the exchange of messages with drivers, monitors operating metrics and generates detailed reports on activities. To support this, the installation of machine telemetry was completed in 2024, with driver training scheduled for January 2025. This technology allows the predictive analysis of faults, preventing service interruptions and promoting an efficient driving style.

CIRCULAR ECONOMY

Among the most significant initiatives carried out by DA are innovative recovery practices, such as the recycling of waste from street sweeping. The collected material is treated at specialised plants for the recovery of gravel, which is then made available free of charge to the municipalities to be reused in land maintenance activities. This process makes it possible to reduce waste destined for disposal and to enhance an otherwise unused material.

The focus on circular economy is also reflected in the partnership with Hera and Eni for the management of used vegetable oils (UVO). The oils collected in the centres of Trento, Rovereto and Vallagarina are transformed into biofuel at the Eni biorefinery in Porto Marghera. In addition, DA recovers plastic from discarded bins to generate new containers, in compliance with the Minimum Environmental Criteria (MEC), in line with the deadlines set for 2024.

Finally, for the purchase of containers and tubs, DA uses reliable suppliers that guarantee the required material use standards, such as 100% recyclable HDPE high-density polyethylene, containing at least 70% recycled material in compliance with the provisions of the current Minimum Environmental Criteria (MEC); the same criterion of 70% recycled material is also required for bags dedicated to light packaging.

INNOVATION AND DIGITALISATION

To further improve waste management, DA has implemented algorithms to analyse the flows and optimise the positioning of bins in Vallagarina, with the implementation scheduled for 2025. At the same time, a trial was launched in Rovereto for the automatic distribution of waste bags, with the aim of reducing the environmental impact associated with distribution and increasing their usability. In addition, collaborations are underway with the University of Trento and private institutions for projects aimed at service digitalisation and efficiency.

Other strategic actions include the experimentation of an AI-based multi-lingual application for the recognition of materials, in addition to the use of the app Junker, which supports citizens in separate waste collection and disseminates alerts on extreme weather events.

The use of the Jarvis Mobile app is also envisaged to ensure the safety of personnel working alone. In particular, in the case of a Humidex index above 40°, it has been planned to minimise solo work, with the use of technological systems to monitor employees, such as the applications Vehicles or Jarvis Mobile for the man down function.

WORKER SAFETY

In terms of worker safety, DA has introduced specific procedures to deal with extreme weather conditions. These include the Service Order for work in unfavourable microclimatic conditions with mandatory scheduled breaks and the procedure for returning home, introduced in July 2016, which includes a one-hour break and the shift of working hours to night-time for afternoon shift operators if the Humidex index exceeds 40 °C.

Further measures include a Risk Assessment Document specifically for the summer microclimate (drawn up in July 2021), and the assessment of thermal effects through physiological measures according to UNI EN ISO 9886, in collaboration with the company physician (September 2021).

All these actions are developed over a time horizon that extends to 2026. The initiatives described strengthen DA's strategy towards a sustainable waste management model based on circularity, energy efficiency and the reduction of environmental impacts, with positive repercussions for citizens and the environment.

MDR-T AND E5-3 TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

To date (31/12/24) the Group is working on the definition of the new Business Plan that will reach 2030 and which will be integrated with the ESG Strategy presented in section SBM 3. Therefore, in this consolidated sustainability statement no objective targets are stated and measurable in relation to the IROs discussed in this chapter. In any case, the Group constantly monitors the effectiveness of the policies and actions described in the chapter.

MDR-M METRICS

The metrics related to the material topic Responsible and sustainable waste management are shown below.

E5-5 RESOURCE OUTFLOWS

The production of waste in the various Group companies is closely linked to the specific operating activities carried out. Depending on the sector and type of intervention, the waste generated includes both hazardous and non-hazardous materials, with a growing focus on reducing environmental impacts and recovery resources.

For Dolomiti Energia Solutions Srl (DES), the waste derives mainly from the installation, maintenance and management of photovoltaic systems. The production cycle involves the generation of waste from inverters, heat pumps and other electronic components. In addition, waste management in the renewable energy sector also involves the disposal and treatment of photovoltaic panels and inverters at the end of their life.

Novareti SpA (Novareti) produces waste mainly in relation to the maintenance of water, sewage and gas networks. Hazardous waste mainly consists of oily emulsions, while non-hazardous waste includes discarded meters, absorbent material, dirty containers and PVC or polyethylene pipe waste. In the cogeneration sector, on the other hand, there are significant flows of oily solutions and aqueous waste solutions. Self-produced waste is temporarily deposited in equipped areas within the company offices, in compliance with current regulations. The deposit takes place in a controlled manner, guaranteeing the separation between hazardous and non-hazardous waste, the use of suitable loading units and the prevention of spills or dispersions. Once characterised, the waste is sent for recovery or disposal through authorised suppliers, in compliance with the company procedure PG-DEG-051.

The companies Hydro Dolomiti Energia Srl (HDE), Dolomiti Edison Energy Srl (DEE) and Dolomiti Energia Hydro Power (DEHP), active in the hydroelectric sector, generate variable quantities of waste depending on the ongoing maintenance activities planned from year to year. Since this waste does not come directly from the production cycle, but from management and maintenance operations, it is difficult to reduce. The waste produced includes waste oil, transformers, absorbent materials, debris and aqueous waste solutions.

In the case of Dolomiti Energia S.p.A. (DE), the company mainly generates non-hazardous waste, with a specific focus on the management of toners deriving from branch operations.

Dolomiti Energia Holding (DEH), on the other hand, mainly produces hazardous waste deriving from laboratory chemicals and mixtures containing hazardous substances. Non-hazardous waste includes wooden materials from packaging and furnishings, as well as discarded equipment. The laboratory manages flows of hazardous chemical waste, while the holding company focuses on the responsible management of non-hazardous waste, promoting its recovery and proper disposal.

Lastly, for SET Distribuzione Spa (SET), the production of waste is linked to the maintenance of distribution networks and plants, including the replacement of faulty or end-of-life electricity meters. Most of the waste produced is of a non-hazardous nature, including meters, discarded equipment, cables, scrap and waste materials from construction and maintenance activities. Hazardous waste, on the other hand, includes decommissioned transformers, used mineral oils and packaging contaminated with hazardous substances. Some waste, such as aqueous waste solutions and absorbent materials, are subjected to characterisation to determine their level of danger before disposal or recovery.

The waste produced by DA's activities are mainly due to the running and maintenance of vehicles engaged in the collection of urban waste and by the activities concerning maintenance of both the infrastructure and the container park. The waste is disposed at the authorised sites depending on the type of material, with preference granted where possible to recovery. For DA, the hazardous waste mainly consists of vehicles or results from vehicle maintenance. Aqueous waste solutions may contain hazardous substances; for this reason, the removal is carried out after characterising the waste.

All Group companies carefully monitor the production and management of waste, guaranteeing the traceability of the main European Waste Codes (EWC). These data can be consulted in the ISO9000QM quality management system, in the Waste Management Plan section - PG-DEG-051-M01, which provides detailed information for each Temporary Deposit.

The data relating to the waste produced are determined by:

- Extraction of data for each EWC code, based on the waste loading and unloading registers;
- Monitoring through the SEDM (Single Environmental Declaration Model);
- Analysis of the previous year's production, useful for identifying trends and improving waste management.

This section shows the tables representing the Group's resource outflows. For each table, the data come from the issue of an indicative waste form that accompanies the disposal of self-produced waste. The weight of the form is validated by the recipient of the waste, who, following a weighing, attributes the weight to the unloaded material.

Below are the data relating to the weight of waste produced by the Group, broken down by Group company, and the relative quantity of non-recycled waste.

Quantity of waste produced	Quantity (kg)	Percentage for disposal (%)
DA	695,066	71%
DE	37	0
DEH	13,364	28%
DES	6,576	0
DEE	77,907	54%
HDE	1,687,239	2%
NOVARETI	217,490	70%
SET	1,713,069	78%
TOTAL QUANTITY OF WASTE PRODUCED	**4,410,748**	**47%**

The table below instead shows the data relating to hazardous and non-hazardous waste removed from disposal, also broken down by Group company. Based on the provisions of Italian Legislative Decree 152/06, the waste is all classified as "other recovery operations" type waste.

Hazardous and non-hazardous waste diverted from disposal

Other recovery operations	Hazardous waste (kg)	Non-hazardous waste (kg)
DA	47,208	155,014
DE	-	37
DEH	330	9,266
DES	-	6,576
EDISON	2,153	33,365
HDE	30,175	1,616,362
NOVARETI	7,544	56,512
SET	255,520	117,201
TOTAL - OTHER RECOVERY OPERATIONS	**342,930**	**1,994,333**

Lastly, information on the quantities of hazardous and non-hazardous waste sent for disposal is provided below, divided by Group companies. Based on the provisions of Italian Legislative Decree 152/06, all waste is classified as "other disposal operations".

Hazardous and non-hazardous waste for disposal

Other disposal operations	Hazardous waste (kg)	Non-hazardous waste (kg)
DA	26554	466,290
DE	0	-
DEH	3768	-
DES	0	-
EDISON	42389	-
HDE	40600	102
NOVARETI	8266	145,168
SET	18	1,340,330
TOTAL - OTHER DISPOSAL OPERATIONS	**121595**	**1,951,890**

ENTITY-SPECIFIC METRICS

With regard to the waste recovery activity carried out by DA, the table relating to the weight of municipal waste collected in the Municipalities of Trento, Rovereto and Vallagarina is shown below.

It should be noted that all waste categories, with the exception of the "residual" category, are managed through separate waste collection.

Type of waste	Unit of measurement	Grand Total	Total - for disposal	Total - not for disposal
HAZARDOUS				
WEEE	t	357	-	357
Other	t	265	6	259
NON-HAZARDOUS	**t**	**2,615,95**	**1,441,78**	**1,174,18**
Paper and cardboard	t	15,190	-	15,190
Glass	t	8,940	-	8,940
Lawn cuttings	t	5,614	-	5,614
Organic waste	t	22,496	-	22,496
Metal packaging	t	24	-	24
Multi-material	t	9,456	-	9,456
Bulky objects	t	1,722	-	1,722
Wood	t	4,921	-	4,921
Inert	t	3,194	-	3,194
WEEE	t	1,110	-	1,110
Metal	t	1,400	-	1,400
Used clothing	t	831	-	831
Other (batteries, medicines, etc.)	t	465	-	465
Residual	t	18,426	-	18,426
Sweeping	t	1,382	-	1,382
Hazardous waste - Total	t	622	6	616
Non-hazardous waste - Total	t	95,172	-	95,172
Municipal waste - Total	t	95,793	6	95,788
POPULATION EQUIVALENT	**no.**	**219,950**		
SEPARATE WASTE COLLECTION AVERAGE	**%**	**80.76%**		

SOCIAL DISCLOSURES
S1 OWN WORKFORCE

ESRS S1

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Positive impact	Promotion of the well-being and inclusion of Group employees through initiatives aimed at supporting respect for diversity and work-life balance (CURRENT)	Short Medium Long	Well-being, diversity and inclusion	*Own operations*
Positive impact	Improvement of the corporate climate and employee well-being resulting from the promotion of a shared vision of the Group's values and ethical principles (CURRENT)	Short Medium Long	Well-being, diversity and inclusion	*Own operations*
Positive impact	Continuous professional development of Group employees through training programmes and professional growth paths (CURRENT)	Short Medium Long	Training and professional development	*Own operations*
Risk	Exposure to disputes and compensation, reputational damages, decreased attraction and retention of talents due to episodes of limitation of the freedom of association and/or collective bargaining	Short Medium	Respect for human rights	*Own operations*
Opportunities	Promotion of a shared vision of the values and ethical principles of the Dolomiti Energia Group with a consequent increase in talent attraction and retention	Short Medium	Well-being, diversity and inclusion	*Own operations*
Opportunities	Extension/obtaining of new sustainability certifications in order to strengthen internal controls in the management of ESG issues and strengthen company credibility	Short Medium	Health and safety	*Own operations*
Opportunities	Increasing talent attraction and retention and improving worker satisfaction through the promotion and application of the principles of diversity, equity and inclusion (DEI)	Short Medium	Well-being, diversity and inclusion	*Own operations*
Opportunities	Increase in productivity, talent attraction and retention through the adoption of appropriate professional growth training plans	Short Medium	Training and professional development	*Own operations*

MDR-P AND S1-1 POLICIES RELATED TO OWN WORKFORCE

The Group's main policies related to mitigating and managing material IROs on the subject of own workforce are described below.

WELLNESS, DIVERSITY AND INCLUSION

The Group is committed to creating a fair and inclusive work environment, promoting a corporate culture based on respect, equality and the enhancement of diversity. In particular, it has adopted a Diversity Policy based on the following principles:

- Non-discrimination: all decisions related to the employment relationship are based exclusively on professional skills and abilities. All forms of discrimination related to race, ethnicity, language, culture, education, gender, religion, political opinion, social status, sexual orientation, physical or mental disability, age, work experience, trade union activism and generational belonging are prohibited. Similarly, abusive attitudes, harassment, abuse, threats or intimidation, or conduct that damages individual dignity and honour are not tolerated.

- Equal opportunities: the Group recognises diversity as a strategic value and is committed to ensuring equal opportunities for all people, with particular attention to gender equality in the various phases of the career path.
- Inclusion: the company actively promotes an inclusive culture, encouraging each individual to express their potential and valuing the diversity of life experiences, knowledge, work skills and talents. This wealth of prospects not only improves the working environment, but represents an added value for innovation and business success.
- Work-life balance: the Group recognises the right to a balance between professional and personal life, and is committed to respecting different individual situations and guaranteeing adequate working hours that protect the right to rest and leisure.

The Diversity Policy is disseminated internally through the company channels and publicly available on the Group's website. To ensure its effective application, the Group has established reporting mechanisms to identify and combat any behaviour that does not comply with the principles of diversity and inclusion. Reports may be made using the methods set out in the Code of Conduct and in the Disciplinary Codes of each Group company.

In addition, the Group has adopted a Gender Equality Policy, with the aim of creating an environment that generates trust among employees, customers and civil society, promoting a corporate culture based on gender equality and mutual respect. By adopting this policy, the Group is committed to reducing the gender gap in key processes such as selection, recruitment, training, professional growth, pay equity and work-life balance, and has activated monitoring and reporting systems to identify and correct misalignments related to gender equality, as well as abuse and harassment.

The Group promotes an inclusive, collaborative and transparentworking environment, free of gender stereotypes and based on respect and listening. To this end, the Group undertakes to:

- Communicate its desire to pursue gender equality in a transparent manner;
- Apply personnel management practices which guarantee equal career opportunities and professional development;
- Enhance diversity and inclusion, supporting talent through welfare and well-being plans to improve well-being at work and in private life;
- Promote female participation in the workplace, guaranteeing fair remuneration and equal access to training;
- Facilitate the presence of women in professional events, such as conferences and meetings, as speakers.

To ensure constant alignment on the issues of gender equality and inclusion, the Group collaborates with trade union representatives and the Councillor for gender equality of the province of Trento.

The management of welfare and well-being initiatives is entrusted to the HR Department, in line with the Group's strategic objectives. The Group's initiatives and policies are communicated to employees through the company intranet, electronic notice boards and other internal communication tools. To ensure transparency and external dissemination, the company also shares its commitments through LinkedIn and the 'For People' section of the company website.

TRAINING AND PROFESSIONAL DEVELOPMENT

The Group considers training and professional development key elements for the growth of people and for company competitiveness. For this reason, it has a structured Training & Development (T&D) system with the aim of promoting a continuous learning environment, enhancing the skills of employees and supporting their professional and personal development.

T&D is based on the principles of equity, inclusiveness (including gender), collaboration and innovation, in line with the Training & Development Policy, which adheres to the requirements of UNI/PdR 125:2022. The approach adopted is not limited to responding to immediate needs, but aims to spread and consolidate the culture of continuous training as a strategic lever for the Group's growth and preparation for future challenges.

The training and development process is managed and monitored by Training & Development, with a shared responsibility between T&D and the client companies, which participate in managing the budget for training activities.

To support an effective training system capable of supporting company objectives, the Dolomiti Energia Group has carried out a risk assessment, identifying control measures and monitoring tools to mitigate any related risks.

The Training and Development programme is aimed at all people of the Dolomiti Energia Group, including employees, temporary workers and trainees, guaranteeing an inclusive and accessible approach at all levels of the organisation. The Group also recognises the value of active listening as a fundamental element of its corporate culture, promoting the active participation of each individual in business processes.

Compliance with occupational health and safety regulations, quality standards and UNI/PdR 125:2022 is guaranteed by the organisation and its managers, including the Employer and the Chief Executive Officers of the Group companies.

The Training & Development Policy is accessible to all personnel through the company intranet and the ISO 9000 QM system, ensuring transparency and dissemination of company guidelines on training.

HEALTH AND SAFETY

The Group considers the protection of occupational health and safety a fundamental value and is committed to ensuring safe and healthy working environments for all employees and stakeholders. For this reason, all Group companies, with the exception of Gasdotti Alpini, adopt a Health and Safety Management System inspired by UNI EN ISO 45001, developed in compliance with the Group Guidelines and the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001.

The company policies on health and safety, signed by the Top Management, composed of the Chair and the Chief Executive Officer as Employer, are shared with the Safety Managers and apply to all activities of the individual companies as well as the entire organisation, extending to both the direct workforce and to all third parties operating in or on behalf of the Group.

The key contents of the policies include the protection of workers' health and safety, the prevention of accidents and occupational diseases, the constant monitoring of occupational hazards and risks and operational activities, the training and awareness-raising of workers and all interested parties, with the aim of spreading a culture of safety and continuously improving prevention and protection control systems.

The policies defined are made available in the workplace and on company portals, published on the website of the various Group companies and disseminated internally through the ISO 9000 QM management document. In addition, they are integrated into contractual documents with suppliers, ensuring that business partners also comply with company safety standards.

RESPECT FOR HUMAN RIGHTS

The Group recognises and respects the main international references in the field of human rights, including:

- United Nations International Charter of Human Rights;
- ILO Statement on Fundamental Principles and Rights at Work;
- United Nations Global Compact;
- European Convention on Human Rights;
- General Data Protection Regulation (GDPR 2016/679).

These principles work alongside the Code of Conduct, Anti-Corruption Measures, 231 Models and quality, environment and safety management systems. Through these commitments, the Group aims to generate a positive impact on the communities in which it operates, guaranteeing the legality of its operations and compliance with the highest standards of sustainability and social responsibility.

The Group is also committed to fully respecting the Italian Constitution, the Workers' Statute and the relevant National Collective Labour Agreements (NCLA).

The Group's commitment to the protection of human rights is reflected in the Human Rights Policy, which guarantees decent working conditions, the promotion of health and safety at work, freedom of association and the fight against all forms of exploitation, including child and forced labour. To this end, the Group recognises the right of employees to form or join trade unions, promoting constructive dialogue through periodic meetings between the Human Resources Department and trade union representatives.

In this context, the Group promotes collective bargaining as an essential tool to define working conditions in a fair and balanced manner. One of the main objectives is to harmonise the economic-regulatory treatments among the workers of the various Group companies, with a view to greater consistency and fairness.

Every agreement reached at Group level is made accessible to all employees through the company intranet, thus guaranteeing transparency and sharing of information. Dialogue with trade union representatives is encouraged through periodic meetings organised by the Human Resources Department with the trade union organisations and representatives. These moments of dialogue represent an opportunity to address issues of common interest and find shared solutions. In addition, at the request of the trade union representatives, specific meetings are organised to analyse any problems or personal requests of workers or groups thereof, always guaranteeing the presence and support of their representative.

To improve the management of reports and requests, a virtual desk was also activated within the HR portal, with a system that allows report traceability and monitoring.

The Human Rights Policy is approved by the Group's Top Management, which ensures its integration with company strategy. This Policy represents a framework of reference for the entire Group and extends to employees, collaborators, directors and suppliers, involving all Group companies without exception.

A central element of the human rights policy is the Personal Data Protection Model (PDPM), adopted to guarantee the confidentiality, integrity and availability of personal data processed in the Group's activities. Compliant with the General Data Protection Regulation (GDPR 2016/679), the Model applies to all Group companies, regardless of the geographical area where they operate.

The PDPM includes activities ranging from the design of processes according to the principles of privacy by design and by default, to the management of safety incidents, the review and updating of privacy policies, to employee training and awareness-raising.

The main activities for the disclosure of personal data protection policies include information provided during recruitment, periodic communications published on the company intranet and specific training for all employees. The management procedures and policies are also managed and disseminated through the ISO 9000 QM application, accessible to all personnel with different functions in relation to their role in the company.

The Data Controller (BoD of each Group company) is responsible for managing the personal data protection system, supported by the internal Data Protection Officer (DPO).

The Chief Executive Officer of the Parent Company promotes compliance with the relevant company procedures and rules, providing specific directives to the Group companies regarding the use of IT tools.

To strengthen its commitment to protecting information, the Group has defined a Cyber Security Policy, which establishes the principles and methods for protecting the Information Technology (IT) and Operation Technology (OT) systems, as well as the information and services provided. This Policy aims to prevent risks related to misuse, financial fraud, unauthorised access to confidential data, sabotage and voluntary damage.

S1-2 PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

The Dolomiti Energia Group (DEG) adopts a structured and continuous approach to stakeholder engagement, ensuring transparency and sharing in strategic decisions. Management participates in periodic meetings with the Group's Top Management, during which strategic issues are discussed and the actions necessary for the Group's development and growth are shared. To spread awareness of strategic projects that may have operational and organisational impacts, online events are organised through the Teams platform. On these occasions, the process owners illustrate the contents and objectives, thus guaranteeing effective and direct communication.

Internal communication is constantly supported by the company Intranet, which is an essential tool for updating personnel on the initiatives undertaken.

To assess the effectiveness of the activities and measure the impact of the initiatives, the Group prepares specific surveys. These surveys allow personnel to express assessments and suggestions, encouraging continuous improvement. For example, an annual survey dedicated to gender equality and work-life balance is proposed. In addition to the latter, other surveys are administered to collect feedback on specific initiatives such as the listening desk service, the canteen service and mobility.

At the end of in-person events, for example the communication days that some Group companies organise periodically, a satisfaction survey is administered to collect useful ideas and suggestions to improve the organisation of future events.

A fundamental aspect of the engagement methods concerns the Family Auditcertification. In this regard, an annual meeting is organised with the two dedicated working groups, offering a moment for aligning the activities carried out and exchanging of assessments on future projects.

Moreover, a dedicated section of the company intranet collects and publishes all trade union agreements signed at Group level, ensuring their maximum dissemination and knowledge among employees.

Transparency vis-a-vis external stakeholders is also ensured through the Group's website, where the Human Rights Policy and documents relating to diversity and gender equality are published. In addition to being accessible online, these documents are also disseminated through the company intranet, confirming the Group's commitment to promoting sustainable and inclusive practices. This integrated communication and engagement system ensures that all stakeholders, internal and external, are constantly informed and actively participate in the Group's strategies and projects.

S1- 3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

The Group has implemented a structured process for collecting and managing reports, known as whistleblowing, to ensure high standards of transparency, integrity and reliability. Aware of the relevance of this tool for monitoring and improving corporate compliance, the DEH Board of Directors has extended this commitment to all Group subsidiaries.

Employees, collaborators and third parties who work with the Group are encouraged to report any unethical conduct, irregularities, offences or violations of company policies to protect the environment and people (mentioned in the dedicated sections of this consolidated sustainability statement) of which they become aware in their activities. These reports allow the Group to promptly identify any anomalies and take appropriate corrective measures.

The objectives, general approach, parties involved and operating methods of the whistleblowing process are constantly disseminated through training activities and through the publication of the related procedure on internal portals and on company websites. The reporting channel is available both on the intranet platform for employees and on the Group's website, in compliance with Directive (EU) 2019/1937 and Italian Legislative Decree 24 of 10 March 2023, related to the protection of those who report violations of EU law and national regulations.

In addition to the whistleblowing channel, employees can directly contact Human Resources to report any problems related to their employment contract or request clarifications. In addition, for matters related to the protection of personal data, requests can be sent directly to the office of the DPO (Data Protection Officer) through the dedicated certified email address, in compliance with the Privacy Policy for Group employees.
Reports are received by the Whistleblowing Committee, which has the task of examining and classifying them according to their content. If a report is not relevant or clearly unfounded, the Committee explains the reasons for its dismissal and records it in the reporting management system. In relevant cases, the Committee initiates an in-depth analysis and assesses the need to contact the whistleblower for further clarifications. If necessary, the competent bodies are informed, such as the Supervisory Body and the Corruption Prevention Manager, and the action plan for ascertaining the report is defined. The whistleblower will receive a reply within three months of submitting the report. All personal data involved are processed in compliance with current legislation, guaranteeing the confidentiality of the whistleblower and the information provided. The whistleblower's identify cannot be disclosed without their consent, except in cases where it is essential for the defence of the person reported in the context of disciplinary proceedings.

The transparency of the procedures adopted by the Group is ensured through the publication of the Privacy Organisational Model on the company intranet, accessible to all employees. This document illustrates the methods used to respond to requests from data subjects, including employees and collaborators. In addition, the Organisation, Management and Control Model envisaged by Italian Legislative Decree 231/2001 establishes the methods with which the Supervisory Bodies and Whistleblowing Committee process and monitor the reports received through the whistleblowing channel.

In order to ensure correct knowledge of the tools available for reporting violations and for the protection of personal data, the Group provides adequate training to its employees. The training activity takes place during the onboarding phase, with the involvement of the Internal Audit and Personal Data Protection office, and is subsequently furthered through specific sessions in person or in e-learning mode.

MDR-A AND S1-4 TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE, AND EFFECTIVENESS OF THOSE ACTIONS

WELLNESS, DIVERSITY AND INCLUSION

WELFARE AND WELL-BEING

The Dolomiti Energia Group has activated the Listening Desk managed by external medical specialists, to support workers in situations of discomfort. A People Care service was also launched, which offers five new free services for personnel and families, including Women's Support, a listening space dedicated to women facing critical situations, and support services such as Empowerment, Nutritionist, University Guidance and Homework Help.

The corporate welfare project includes health care, social security, education support and personal services. Employees can also convert part of their bonus into hours of paid leave, with an increase for those who use leave pursuant to Italian Law 104/09. An additional online platform allows to manage healthcare expense reimbursement and access to psycho-physical well-being services.

Human Resources has published the operational procedure Parenting and Care, which describes initiatives and operating methods to support work-life balance.

For the two-year period 2025-2026, the Group plans to introduce new forms of well-being, such as agreements with structures for online gymnastics and the expansion of services on the welfare platform, including an agreement with Neogy for charging electric cars. In addition, the organisation will assess the rate of participation in the initiatives to direct future investments and ensure the effectiveness of the actions undertaken.

GENDER EQUALITY AND INCLUSION

The Group adopts practices to reduce the gender gap in key processes such as selection, training, professional growth and equal pay. Monitoring and reporting systems ensure the prevention and management of misalignments and inappropriate behaviour. DE supports female empowerment, work-life balance and parenting support; to strengthen this commitment, it has created the moms@work coaching programme, which will also be extended to new fathers from 2025, transforming into parents@work.

Through the Internal Communication Department, the Group promotes initiatives aimed at consolidating the corporate culture, strengthening the sense of belonging and supporting organisational changes. The company intranet is used to constantly update employees on the initiatives undertaken, while the internal communication team monitors the effectiveness of the activities through surveys and feedback.

Confirming its commitment to promoting gender equality, in December 2024 Dolomiti Energia Holding and Dolomiti Energia obtained the Certification for Gender Equality according to UNI/PdR 125: 2022. In the two-year period 2025-2026, the Group will continue the process of extending this certification to other companies, thus strengthening policies in support of female empowerment, work-life balance and parenting support. The Board of Directors of the certified companies approved and set up a Steering Committee responsible for implementing and maintaining a Gender Equality Management System (GEMS) compliant with UNI/PdR 125:2022, ensuring continuous monitoring of the actions taken and progress achieved. With regard to the results obtained in terms of gender equality, in 2024 DEH achieved a score of 85.25%, while DE recorded a score of 84.25% with respect to the KPIs established for the class to which it belongs, determined based on the number of employees. Both companies exceeded the minimum threshold of 60% and successfully concluded the external audit conducted by IMQ without any non-compliances found or recommendations, thus obtaining the Certification.

In parallel, the Group obtained the extension of the Family Audit certification, identifying a series of initiatives to be developed in the two-year period 2025-2026 with a particular focus on corporate well-being. In the second half of 2024, the organisation appointed an internal contact person for work-life balance, drafted a dedicated procedure containing a handbook for new parents with rights and duties, established a tutoring form to facilitate return after a prolonged absence and developed an editorial plan for training team managers.

As part of the welfare initiatives, a scholarship was also funded in 2024 for six months in Switzerland for an employee's daughter. The most used services were the repayment of school expenses (15%), purchase vouchers (61%), pension funds (19%) and leisure vouchers (4%).

The People Care programme activated in July 2024 saw the participation of 63 employees, with 68% benefiting from nutritionist consulting , 11% participating in empowerment programmes, and 10% benefiting from online homework help, 8% taking advantage of university orientation courses and 3% requesting support through the Women's Support consulting service for women in difficult situations. In addition, the Listening Desk managed by SEA recorded a total of 94 accesses during the year, confirming the value of the psychological support and consultancy initiatives for personnel.

SOCIAL AND WORK INCLUSION

In 2024, the Group launched a social and employment reintegration project in collaboration with provincial bodies, involving eight people from vulnerable backgrounds. The initiative was concentrated in the urban services sector in the municipality of Trento; it envisaged a training course, continuous support and monitoring during the trial period, with the aim of ensuring stable and sustainable job placement.

The organisation has allocated human and financial resources to manage and monitor the project's social impact. The initiative's success was confirmed by the permanent inclusion of the eight people involved.

All initiatives are aimed at all Group personnel, regardless of the geographical area to which they belong, and will be maintained and developed over the next few years without a defined due date.

TRAINING AND PROFESSIONAL DEVELOPMENT

Thanks to the support of the Human Resources & Business Partner Department, the Group implements fair processes to attract, retain and develop resources, guaranteeing professional growth and remuneration paths. Attention to personal attitudes is enhanced through assessment processes and the introduction of a platform (LMS - Docebo) that offers over 400 hours of e-learning training.

The Group involves the entire company population through annual training plans, providing managers with tools to analyse areas for improvement and plan the development of skills. Training focuses on four main clusters: Health, Safety & Environment, Technical Skills, Digital Skills and Life Skills. The development of technical and digital skills is essential to ensure excellent performance and to maintain market competitiveness.

The Leadership Academy programme (2023-2025) defined strategic leadership skills, accompanying participants with workshops, classroom activities and coaching sessions. The "La Leadership si_cura" project active from 2023 to 2025 integrates behavioural safety, role responsibility and team management. Another key project is Culture of Safety - A Journey of Leadership, Choice and Sustainability, which aims to create a shared safety culture within the company.

Numerous skills and potential assessments have been launched, with a focus on supporting professional development and mapping the necessary soft skills. Around 90 assessments were completed between 2023 and 2024, with the aim of reaching a further 100 profiles by 2026. Effective communication courses and training on ESG issues complete the training offer.

Additional projects that have been carried out by the Group are: Graduates Academy (two-year project), which involves young graduates in the development of technical and managerial skills, combined with corporate volunteering projects; Ambassador Programme (two-year project), which includes 25 selected professionals focused on cross-cutting and innovative projects to promote corporate values.

To strengthen resilience and the management of sustainable challenges between the working groups, the Sustainable Challenge and Novelty Project were established, which involve employees and workers under 50 in innovation and idea generation activities.

To strengthen resilience and the management of sustainable challenges between the working teams, the Sustainable Challenge and Novelty Project were established, which involve employees and workers under 50 in innovation and idea generation activities.

The "Fragility, together to build inclusive contexts" project involved the Facility Management and Environmental Services Departments to promote inclusion and the management of vulnerable conditions. In addition, in 2024 the Group company skills mapping process was launched in order to identify training gaps and define targeted development plans.

HEALTH AND SAFETY

Actions related to the Health and Safety Policies are designed to ensure a sustainable approach to occupational health and safety management, generating a positive impact for workers and the communities in which the Group operates.

The objectives and actions related to the Health and Safety Policies are established during management reviews and periodic meetings (pursuant to art. 35 of Italian Legislative Decree 81/08) and are communicated through the company channels.

The main actions adopted include risk analysis and assessment, constantly updated to ensure effective management. In the event of accidents or injuries, in addition to the guarantees provided by law, the Group offers additional insurance coverage, job preservation and work reintegration paths after verification of suitability. Risk management is also based on health surveillance, the analysis of accidents and near misses, supported by preventive actions.

TRAINING AND AWARENESS-RAISING

Continuous education, training and awareness-raising on health and safety issues among personnel are key elements for accident prevention. The training activities concern both the internal workforce and, in some cases, also workers in the value chain, in particular for the companies involved in work on the networks.

SPECIFIC PROJECTS

Some Group companies, such as SET, DA, HDE and Novareti, have implemented specific projects to strengthen the culture of safety through the progressive improvement of safe behaviours and the contextual reduction of accidents, based on B.OSS (Behaviour Observation Safety System:

- BOSS project;
- Culture of Safety;
- SI.CO. Project;
- Safe Leadership.

MONITORING

The effectiveness of actions is monitored through:

- Accident rates (accident frequency and severity);
- Analysis of reports of occupational diseases;
- Assessment of near misses;
- Anonymous results of health surveillance.

These indicators are discussed during periodic reviews, Business Reviews and among the Boards of Directors of the individual companies. However, the expected reduction in accident rates were not achieved in 2024 due to an increase in accidents in the field of waste collection and electricity production and distribution.

The resources allocated to managing health and safety aspects include:

- Economic resources defined in the specific budgets for each company;
- Human resources dedicated to the organisation of Prevention and Protection Services;
- Active participation of personnel in improvement projects.

The actions are applied continuously, focused on guaranteeing a safe and healthy working environment with particular attention to cultural growth through the adoption of behavioural safety and safety leadership systems.

RESPECT FOR HUMAN RIGHTS

The Group is committed to ensuring respect for human rights through the responsible management of privacy, cyber security and social dialogue, adopting targeted and continuous actions for the protection of its employees and stakeholders.

PRIVACY AND CYBER SECURITY

The Group has established a Personal Data Protection Model that is periodically updated to ensure compliance with current legislation and the guidelines of the Privacy Guarantor. Specifically, the key actions include constant updating of the IT management system of the operational model for the protection of employees' personal data, which are always available on the company intranet, impact assessments (DPIA) and risk analysis for each data processing activity, with revisions in the event of regulatory or organisational changes and the definition of privacy by design and by default procedures in HR and corporate processes. Employee requests relating to personal data are managed through direct channels to HR and the DPO office.

In addition, periodic audits are carried out on internal functions and third parties and suppliers responsible for data processing to identify and correct any critical issues.

To ensure the protection of data and information systems, the Group has implemented a constantly evolving cyber security system, which includes the regular performance of vulnerability and penetration tests, the activation of a multi-factor authentication system (MFA) and the segregation of roles to prevent unauthorised access, data encryption, endpoint protection and increased security measures for backups.

In addition, the Group has activated targeted training courses on cyber security and data protection issues for all personnel, both in person and through e-learning.

The Group has a specialised internal team, consisting of the DPO, Privacy Officer and Internal Audit, supported by external consultancy and adequate IT resources, to ensure respect for privacy.

SOCIAL DIALOGUE AND TRADE UNION RELATIONS

Dolomiti Energia values social dialogue as a fundamental tool for safeguarding workers' rights. To support this, periodic meetings are planned with the trade unions, held at least once a month, with the aim of encouraging dialogue with the associations.

The trade union agreements and NCLAs applied are monitored and updated, with particular attention to compliance with national regulations and employment contracts, and are disseminated through a dedicated section on the company intranet.

Any reports or requests from employees are promptly intercepted thanks to constant monitoring of the virtual counter and HR email.

A significant case in 2024 was related to the rejection of a trade union appeal for violation of Art. 28 of Italian Law 300/1970, with an order to pay the costs for the claimant.

All actions are continuous and structured, aimed at the entire company population and at ensuring a safe working environment, compliant with regulations and respectful of fundamental rights.

MDR-T AND S1-5 TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

The targets related to its own workforce envisaged by the Group ESG strategy presented in section SBM 3 of this consolidated statement are shown below.

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
PROMOTING THE SUSTAINABLE DEVELOPMENT OF TERRITORIES AND COMMUNITIES	Support for social inclusion projects Support for projects to promote social inclusion and the well-being of the territories where the Group operates (e.g., Etika and Sinergika offers	Extension of the job inclusion project with the inclusion of new resources in DA (in line with the needs of new personnel and in line with the roles sought)	Placement of new employees hired through the project NOTE: the number of new hires may vary according to need	2025	6 hires in the workforce

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
PROTECTING AND CARING FOR OUR PEOPLE (1/3)	Protection of employee health and safety Guarantee of the highest level of safety for our workers and collaborators in the performance of activities	Conducting training sessions aimed at limiting risks associated with extreme weather conditions	100% of DA employees involved	2025	222 people trained (corresponding to 70% of the 318 enrolled) in the LILT skin cancer awareness-raising course
		Maintaining the Occupational Health and Safety (OHS) Management System to ensure the prevention of fatal accidents and the occurrence of occupational diseases	Registration of: 0 fatal accidents 0 occupational diseases	Continuous	0 fatal accidents 0 occupational diseases
	Promoting equal opportunities and employee well-being Promoting inclusion, diversity and equal opportunities	Conducting awareness-raising and training activities on gender-based violence	Participation in three courses in one year, of which: at least one course during the year by 88.5% of people all three courses by 45.5% of people	2025	100% of employees attended at least one course during the year 57% of employees attended at least three courses during the year
		Extension of gender equality certification (UNI PDR 125:2022)	UNI PDR 125:2022 certification of the companies DA, DES, DET, DEE, HDE, NR, SET	2025: DA, DES, DET 2026: DEE, HDE, NR, SET	Dolomiti Energia Holding, Dolomiti Energia e EPQ certificate con UNI PDR 125

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
PROTECTING AND CARING FOR OUR PEOPLE (2/3)	Promoting equal opportunities and employee well-being Promoting inclusion, diversity and equal opportunities	Elimination of the gender pay gap with an action plan defined on the basis of the current gap analysis NOTE: analysis to be completed in 2025	Definition of an action plan on the current gap analysis, following the completion of the as-is analysis	2025	Absence of precise analysis of the gender pay gap
		Maintenance in all Group companies of a turnover rate close to the physiological one	Maintenance of the turnover rate at 4,5%	Continuo	Turnover rate at 6.88%
	Promoting equal opportunities and employee well-being Continuous improvement of employee well-being thanks to welfare, well-being and work-life balance programmes	Extension to all Group companies of the Dolomiti Energia initiative, which provides for annual awareness-raising, training and discussion on the issues of work-life balance and equal opportunities for department managers.	200 training hours per year provided 100 employees involved	2025/2026	32 training hours per year provided training hours per year provided 77 trained out of 204 enrolled in the course 'Valuing diversity in your work team' of 25 min

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
PROTECTING AND CARING FOR OUR PEOPLE (3/3)	Continuous employee training Continuous support for the professional growth of our employees through training programmes (upskilling/reskilling)	Extension of participation in the Leadership Academy	Participation of: 100% of executives 100% of managers	2025	92% of employees trained in the Leadership Academy 82% of employees trained in SkillGym
		Extension of the Graduates Academy project	Participation of 15 employees	2026	14 employees
		Increase in training hours per capita, introducing training sessions aimed at adopting innovative technological solutions	Offer of 35 hours of training on average per capita	2025	42 hours of average training per year per capita
		Conducting skills assessment and definition of ad hoc Development and Career Plans	100 employees involved in the assessment and definition of Plans	2026	82 employees involved in the assessment and definition of Plans

MDR-M METRICS

The metrics related to the material topics are shown below: health and safety, well-being, diversity and inclusion, training and professional development, respect for human rights.

S1-6 CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

Below is the final table containing the total number of employees, indicated as headcount, which refers to male, female and unidentified workers in force as at 31 December 2024 of all the companies of the Dolomiti Energia Group.

All employees work only in Italy.

The scope considered refers to all the workers of all the companies belonging to the DEG. The following qualifications are present: executives, middle managers, white-collar employees and blue-collar employees. National NCLAs and second-level collective bargaining are applied in the Group companies. The NCLAs of reference are as follows: NCLA for employees in the Electricity Sector, Gas Water NCLA, NCLA for Industry Managers, NCLA Environmental Hygiene, NCLA Commerce.

Total number of employees and breakdown by gender

Gender	Number of employees (indicated in headcount)
Men	1,251
Women	383
Other	-
TOTAL EMPLOYEES	1,634

Below is the breakdown of total employees by contract type (permanent, fixed) and by gender. It should be noted that there are no employees with variable hours within the Group. The data presented are indicated in headcount and refer to male, female and unidentified workers in all Dolomiti Energia Group companies as at 31 December 2024.

Number of permanent employees (in headcount/FTE) by gender

Gender	Number of employees (in headcount)
Men	1.189
Women	364
Other	-
Not communicated	-
TOTAL EMPLOYEES	1.553

Temporary workers by gender

Gender	Number of employees (in headcount)
Men	62
Women	19
Other	0
Not communicated	0
TOTAL EMPLOYEES	81

Temporary workers by gender

Gender	Number of employees (in headcount)
Men	19
Women	11
Other	0

Trainee workers / interns by gender

Gender	Number of employees (in headcount)
Men	4
Women	0
Other	0

The following table shows the employees who left the Group during 2024 (reference year) and the relative turnover rate.

The departures of employees who left their jobs between 01/01/2024 and 30/12/2024 (inclusive) are counted considering termination on a voluntary basis, due to dismissal and retirement, without considering intra-company transfers with contract transfer. In addition, the turnover is calculated according to the following formula: ((exits during the period) / average workforce for the period) * 100).

Total number of employees who left the company and turnover

Gender	Number of employees (in headcount)
Total number of employees who left the company	122
Employee turnover rate	7%

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-8 COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

The Dolomiti Energia Group applies a regular NCLA to all its employees.

Percentage of employees covered by collective labour agreements
100%

In this regard, they are represented by trade unions present in Italy.

Below is the percentage of workers who are members of a company-recognised trade union out of the total workforce at 31/12/2024.

% workers who are members of trade unions
37.00%

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-9 DIVERSITY METRICS

Below is the gender distribution among the members of Top Management, and more specifically the Group's executives. The percentage was calculated by comparing the number of female/male executives out of the total number of executives.

Percentage of Top Management employees

Gender	Percentage
Women	14.29%
Men	85.71%
Other	0.00%

Headcount at Top Management level

Gender	Number
Women	3
Men	18
Other	0

As for the age distribution of the Group's workforce, the perimeter remains the same as in the previous sections, i.e. the number of fixed-term/permanent male, female and unidentified employees present as at 31 December 2024. The percentages were calculated by dividing the number of employees by age group by the total number of employees as at 31/12/24.

Workforce age distribution

Headcount under the age of 30	173
Headcount under the age of 30	173
Percentage of employees under 30	11%
Headcount aged between 30 and 50	874
Percentage of employees between 30 and 50	53%
Headcount over the age of 50	587
Percentage of employees over 50	36%

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-10 ADEQUATE WAGES

An adequate salary is paid to 100% of employees, in line with the applicable reference metrics and the contractual minimum required by the reference NCLA is guaranteed. In addition, all employees with an employment contract are paid an adequate salary corresponding to the provisions of the NCLA in relation to the level assigned.

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-11 SOCIAL PROTECTION

All DEG employees are covered by social protection against loss of income due to illness, accident at work, disability and parental leave, through public programmes or benefits offered. The National Collective Labour Agreements (NCLA) applied envisage the integration to 100% income in the event of illness and injury at work, guaranteeing workers full economic protection during periods of absence for health or accident reasons, in compliance with the time limits envisaged by the NCLAs.

S1-12 PERSONS WITH DISABILITIES

The percentage of persons with disabilities in the Group is 5.69%, and is based on the number of employees recognised as disabled by Italian Law 68/1999 divided by the total number of Group employees as at 31 December 2024.

The Group fulfils the obligations of hiring personnel with disabilities that are envisaged by the reference legislation.

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-13 TRAINING AND SKILLS DEVELOPMENT METRICS

The data reported in this section have been processed considering the total number of people in the Group, i.e., both employees and non-employees (company directors, interns and temporary workers).

Below is the number of training hours provided by gender / total number of people as at 31 December 2024; the value is calculated on the total number of people in the DEG.

Average number of training hours per employee

Gender	Number
Men	43
Women	42
Other	0

With a particular focus on the career development of our employees and their periodic participation in development interviews, their percentage of participation by gender is reported. It was calculated on the total number of people in the Group.

Percentuale di dipendenti che hanno partecipato a revisioni periodiche delle prestazioni e dello sviluppo della carriera

Gender	Percentage
Men	5,03%
Women	4,96%
Other	/

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-14 HEALTH AND SAFETY METRICS

As at 31 December 2024, 99.8% of the Group's employees work in companies with Occupational Safety Management Systems (OSH) subject to internal audits, while 38.1% are covered by ISO 45001 systems certified by IMQ. The percentage was calculated considering the ratio between the number of employees included in the ISO 45001 certification perimeter of the various Group companies and the total number of employees as at 31 December 2024. The management systems of the various group companies are ISO 45001 certified by IMQ. The number of employees covered by the certified SSL management system was determined based on the scope of certification for each Group company.

Considered that in 2025, the scope of certification will be extended to Vallagarina and Altipiani Cimbri of DA and to the cogeneration of Novareti, therefore the objective will be to reach greater coverage by 31 December 2025.

In addition, it should be noted that in the year under review, no deaths were recorded as a result of accidents and occupational diseases among Group employees and workers in the value chain operating at the Group's sites.

On the other hand, as regards the number of workplace accidents that can be recorded for the Group's workforce, in 2024, 38 accidents were recorded at INAIL (excluding accidents with zero prognosis days and accidents while commuting). Consequently, the accident rate for Group employees is 14.3%, calculated as the ratio between the number of injuries and hours worked, multiplied by 1,000,000. In the calculation of the hours worked, overtime carried out by personnel with flat-rate overtime (office workers, middle managers, executives) was not considered.

Lastly, with regard to the number of days lost due to workplace accidents, the count of 779 is based on the days lost according to INAIL accident certifications.

NOTE: the causes of the uncertainty of the data collected for the value chain are due to the fact that they do not refer to internal records recorded, but rather information learned from declarations by suppliers/ reference bodies.

S1-16 REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

This section shows the percentage of the pay gap between female and male employees, as well as the ratio between the remuneration of the employee who receives the highest salary and the median remuneration among Group employees.

The pay gap is 1.41%, where the calculation was made by taking the difference between the average gross annual salary of male and female employees and dividing it by the average gross annual salary of male employees. The gross annual salary is the sum of fixed and continuous pay elements (contractual minimum + super-minimums/ad personam) including the thirteenth and fourteenth pay cheque.

Instead with respect to the remuneration ratio, the figure considers the ratio of the gross annual salary of the employee with the highest salary to the average gross annual salary of all other Group employees (excluding the employee with the highest gross annual salary).

	%
Pay gap	1.41%
Salary ratio (high/median)	8.50%

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S1-17 INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

No discrimination (including harassment) was recorded in 2024.
The Group has a Whistleblowing Policy for the collection of any reports of offences and irregularities and

a computerised channel for the collection of such reports. There were no complaints submitted through the channels for reporting by employees or to the national contact points of the OECD in 2024.
As a result, there were no material fines, penalties or compensation for damages as a result of accidents and complaints during 2024.

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

ENTITY-SPECIFIC METRICS

HARASSMENT AND MOBBING

With regard to the IRO related to incidents of harassment, mobbing and discrimination against workers, the Group monitors the number of reports regarding these incidents annually. It should be noted that no reports were received through the dedicated channel in 2024.

PROTECTION OF SENSITIVE DATA

With reference to the IRO related to the possibility of data breaches with regard to Group workers, there were no episodes of privacy violations and data leaks in 2024. This assessment metric is based on the Group Data Breach Management Procedure, in line with privacy regulations and best practices (in particular the Provision of the Guarantor of 30 July 2019 on reporting personal data breaches and on the EPDB Guidelines of 9/2022 on personal data breach reporting).
The assessment metric was developed with the support of external consultants specialised in the matter. Detailed reports on the nature and impact of the event related to data subject rights are developed for each individual event. Each event is recorded - together with all the documents assessed - in an electronic register. In addition, the assessment metric is shared with the Data Controller and/or with the CEO of the company for the purpose of their acknowledgement and approval of the activity carried out.

LIMITED FREEDOM

The Group monitors the number of open disputes for violations of free association and/or collective bargaining or anti-union behaviour in the Group's activities. There was one dispute in 2024, for which the Group was not held liable in two stages of judgement.

ATTRACTING AND RETAINING TALENTS

During 2024, the Group launched a total of 44 internships and apprenticeships, with an average duration of 66 days each. These initiatives offered a concrete opportunity for professional growth and training for young talents. In addition, the Group has participated in numerous recruiting events organised at various universities, with the aim of coming into direct contact with students and graduates to promote itself as an employer. Looking to the future, the Group expects to further intensify its presence in universities, with the intention of expanding the opportunities for internships and apprenticeships and consolidating its role as a benchmark in the academic landscape in the coming years.

Lastly, the Group is very attentive to young people and the new generations: for this reason, 36 employees and 26 workers under 30 were hired in 2024, for a total of 62 people.

FLESSIBILITY

All employees are entitled to leave for family reasons, in compliance with applicable social policies and collective agreements. In particular, the Utilitalia NCLA includes specific provisions for family leave, which include, among others, leave due to illness of family members, leave for the birth of a child and other family situations that require absence from work. The conditions and duration of this leave are defined in line with national regulations and company agreements.
With a view to supporting the well-being of employees and balancing work and family life, specific initiatives have been introduced in Dolomiti Energia S.p.A. (DE) as part of the corporate family audit, including:

- Paternity leave: the company has decided to increase paternity leave by one day, compared to what is already envisaged by national legislation;
- Part-time contract: extension of part-time contract duration to two or three years;
- Hourly flexibility: the possibility of multi-day hourly flexibility is envisaged, which allows employees to organise their work more flexibly, better adapting to family needs.

With regard to work-life balance, the Group voluntarily discloses metrics related to remote work during 2024 by employees.

In particular, the percentage of remote work hours carried out by employees, calculated out of the total number of hours worked during the year (ordinary and overtime), are shown as a percentage by gender.

Number of hours of remote work as a % of the annual total

Gender	%
Women	25%
Men	4%
Other	0%
Not reported	0%
TOTAL	29%

Below is the percentage of employees, by gender, who have the possibility of working remotely out of the total number of Group employees.

Workforce with ability to work remotely as a % of the total

	%
Women	71.30%
Men	16.80%
Other	0.00%
Not reported	0.00%

NOTE: All data are timely and precise and do not present degrees of uncertainty in the measurement.

S4 CONSUMERS AND END-USERS

ESRS S4

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Positive impact	Quality, safe, reliable and affordable services, with adequate levels of assistance and usable and effective customer care services (CURRENT)	Short Medium Long	Quality, safety, continuity and accessibility of products and services	*Downstream value chain*
Opportunities	Improvement of the Group's market positioning and increase in the customer base through effective management of Group communication, which shows the sustainability of the services offered to a public increasingly interested in ESG issues	Short Medium	Quality, safety, continuity and accessibility of products and services	*Own operations*

MDR-P AND S4-1 POLICIES RELATED TO CONSUMERS AND END-USERS

GROUP COMMERCIAL ACTIVITIES

Dolomiti Energia S.p.A. (DE) has always been committed to operating in compliance with sector regulations, with particular attention to the consumer code of conduct and the commercial code defined by ARERA.

The Dolomiti Energia Group (DEG) operates in compliance with regulations and technical and legal standards, and strives to continuously improve the performance of the Integrated Quality, Environment, Health, and Safety Management System, in compliance with the standards UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015. The group has identified a figure in the QSA office who periodically carries out internal audit activities with reference to the procedures for ISO 9001 certification. Findings and non-compliance detected by Quality and Safety control audits are analysed, processed and resolved, so that each audit results in concrete and decisive actions. This guarantees quality, reliable supply.

Ethics and fairness guide every intervention and prevent unfair commercial practices. Given that the Group operates in a very dynamic area which requires continuous adaptations and updates in order to meet customer needs (which vary over time and are subject to customisation), contractual activities and timing, a policy dedicated to quality could be obsolete at the moment of its implementation: for this reason, and in order to guarantee the highest level of service and quality, ISO 9001 certification was considered a sufficient and adequate measure.

The objectives identified include both supply quality, as well as its affordable costs: for this reason, the Group has also defined a Credit Policy that integrates the ARERA regulation and combines business risk with the awareness of having to guarantee primary services to households and businesses. In addition, the Group has always guaranteed the immediate application of the numerous government interventions introduced in recent years to support households and businesses in terms of high prices.

DATA PROTECTION

The technological revolution that has characterised the last few decades has exposed companies to new risks, such as the loss or unauthorised access to sensitive customer data. The Group promptly developed and approved an operational procedure that regulates the use of IT systems and aims to indicate the behaviours to be adopted and those to be avoided in order to prevent any incident.

The procedure was then formalised in the Group's Cyber Security Policy, with the aim of outlining the principles and methods with which the Group protects its Information Technology systems, Operation Technology systems, the information processed and the services provided from inadequate management and improper, fraudulent and malicious use (relating to events such as financial fraud, access to confidential information, sabotage, voluntary damage).

This resulted in the adoption of a data protection model that consists of numerous management elements and best practices in the area, with the forecasting of operating methods in the event of any data breaches, requests from data subjects, or at the same time as new initiatives that require personal data processing. Additional consequences of the policy are the appointment of data processors; the review and strengthening of complete and updated personal data processing registers; the management of company initiatives for processing personal data with a view to privacy by default and by design; the tools for recording, monitoring and reporting on privacy events.

The model extends to all personal data processing present in the Group's activities, in any sphere and geographical area it operates. The CEO of the Parent Company provides directives to the companies of the DEG with reference to the use of IT tools and promotes compliance therewith (in conjunction with the promotion of the DEG Code of Conduct and the 231 Organisation and Control Model of the company). A channel is also available for data subjects to request the exercise of their rights, which includes all Dolomiti Energia customers with particular reference to natural persons, but also to legal entities with specific measures in reference to marketing activities.

The Data Controller has the utmost responsibility for the personal data protection model; it is flanked by the internal Data Protection Officer for the respective responsibilities, the Privacy Compliance Department, the personal data protection team and the data processors. The Group Cyber Security Policy is implemented in compliance with the General Data Protection Regulation (GDPR) and the related legislation, with particular reference to the European Data Protection Committee (EPDB), as well as the provisions and Guidelines of the Guarantor for the Protection of Personal Data. The main tool for disseminating company policies on the protection of personal data is the privacy policy shared with data subjects at the time of data collection. It is used in paper or digital formats and is available in accessible places.

The Group also has its own policy (and a series of actions) in place to combat potential hacking.

Lastly, the company has its own Customer Complaint Management Policy. This is in order to best structure a process that is by its very nature critical on the one hand, and on the other to be able to identify potential and continuous improvement actions to be implemented. The purpose is to identify, classify and manage complaints from customers within predefined deadlines (also from ARERA), guaranteeing an exhaustive and decisive response that also includes compensation actions where necessary.

S4-2 PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

The Group cannot ignore the engagement of its end-users. The Group's main objectives in the stakeholder engagement of end-users are reported below:

- With the aim of offering an increasingly higher level of customer care and service, in 2024 the DEG continued to optimise activities aimed at understanding and satisfying the needs of each type of customer, paying particular attention to identifying potential improvement actions. Satisfaction questionnaires and surveys proposed to individual consumers are the support tool for this activity;
- With reference to data processing, possible customer perspectives are collected indirectly through input from trade associations, as well as considering the indications and guidelines of the competent public authorities. With specific reference to direct interactions with the Group's customers, contact takes place through the collection of requests and complaints regarding the protection of personal data.

With a breakdown related to specific Group companies, it is reported that:

- Novareti S.p.A. (Novareti) directly engages the end-users concerned through social media, widespread communication and direct contact. The disclosure activities are managed by the Communication and Marketing Department of the Dolomiti Energia Group. The company then assesses the effectiveness of the communication based on the number of calls to the emergency toll-free number and the number of complaints received;
- In SET Distribuzione S.p.A. (SET), users of the distribution network are not directly engaged, except in response to their requests. Any requests, complaints and opinions of end-users are always taken into consideration and analysed when defining plant intervention priorities, with a view to continuous service improvement.

The Group verifies the effectiveness of engagement activities and the real engagement of customer prospects takes place through the continuous analysis of indicators produced externally and internally.

With regard to indicators from external sources, in 2024 the Group assessed and recorded very important satisfaction metrics. First of all, the commercial quality of Dolomiti Energia services is monitored thanks to indicators expressed at national level by ARERA: the body's surveys on the quality of the telephone service confirm a service level above the sector average. In addition, for the sixth consecutive year DE was confirmed as one of the recommended providers of Altroconsumo, and Trustpilot's rating was 4.6 out of 5.

Internally, the service level is measured by indicators and data acquired by management systems and constantly monitored in order to be able to identify critical areas and take prompt action to implement the best possible improvements. In this regard, a systematic monitoring system of the quality of the contact centre's response to customer enquiries, as well as the level of customer satisfaction, is always in place for the Dolomiti Energia call centre.

In addition, the analysis of the Net Promoter Score and Customer Satisfaction index confirm a satisfactory perceived quality of service.

The recorded findings of the various Group companies are also taken into account, including non-compliance relating to suppliers, as they were considered to be the responsibility (albeit indirectly) of the companies. Management reviews are carried out regularly (at least once a year) using a certified management system, in which data on non-compliance are analysed.

The results of this practice translate into specific and measurable improvement objectives, which not only foster the continuous growth of performance to achieve customer satisfaction, but also support the retention of existing customers and the acquisition of new ones, with cost-effective, competitive and at the same time clear and transparent commercial proposals to ensure full customer awareness when signing the offer.

This is accompanied by continuous market monitoring to understand emerging needs and expectations, as well as comparisons with the main competitors in the sector.

S4-3 PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

The Group is very attentive to both possible actions to remediate negative impacts and to the provision of adequate channels in order to allow users to make reports.

All customers have the opportunity to send information requests or complaints to the company. They can be sent through all channels made available to customers, such as energy points, telephone, e-mail, reserved area and website; as mentioned, the latter has a whistleblowing section for anonymously reporting any offences (available to customers and counterparties). Consumer associations also have a preferential channel. Customers can also make requests for joint settlement using the channel provided by the Single Buyer and the Consumer Desk (ARERA).

In addition, with regard to public lighting, a programme was installed and launched for managing maintenance ticketing based on reports from the citizen or public administration.

The systems in use are developed to comply with GDPR regulations. The company seeks to rectify specific complaints and, where necessary, indemnifies the customer (indemnities are partly governed by sector regulations).

The Group carefully monitors requests and complaints from customers in order to introduce continuous improvement actions, both in terms of process efficiency and to guide the training activities of its personnel (internal and outsourced). All requests, observations and complaints are tracked in the systems used by the company and subject to analysis and reporting (by type, number, customer, response time). This makes it possible to carry out the necessary checks for each report and provide answers in little time. Moreover, the monitoring action is extended to the quality of the work performed by commercial partners operating at national level.

There are no exclusions in scope from these practices, whose enforcement is the responsibility of the CEO.

With reference to privacy, the Group makes specific privacy policies available to data subjects in relation to each type of personal data processing, which clearly and completely contain all the relevant information. They are provided in paper or digital format and in accessible locations.

The Group has adopted a procedure for managing any data breaches that includes precise actions to manage the violation and its impacts, and there is also a certified e-mail channel to collect data subject requests to exercise their rights and any complaints.

With regard to supplies, on the other hand, Novareti guarantees supply continuity in delicate contexts (strategic assets in terms of flow rates or number of underlying users), according to the logic that it is also a guarantee of safety. In fact, the company protects the weakest categories from possible interruptions: it does so by paying attention to utilities that are defined as 'NOT DISCONNECTABLE' because they have particular needs for service continuity. These are utilities such as hospitals and retirement homes, which have priority among restoration activities in the event of breakdowns.

For any report, Novareti has a 24-hour toll-free number for reporting faults, advertised through the company websites and invoicing documents to the end-user, in compliance with the regulations for the advertising and disclosure of communication channels. The company constantly monitors calls to the toll-free number for failures, as well as the repair times of failures that have caused negative impacts.

In addition to this, in the event of material damage, the company has insurance coverage for the compensation of end-users.

In SET, any negative impacts on end-users are managed proactively: the causes of the impacts are analysed and the necessary solutions are proposed, both in terms of repayment of the damage, and planning interventions on the network aimed at further reducing the risk of the negative impact's occurrence. The end-user can contact SET by e-mail, telephone or using the online form available on the company website; the site itself is the main advertising contact channel. The complaints management process is monitored internally by specific departments responsible for this task, and the actual use of the channels demonstrates their validity.

MDR-A AND S4-4 TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MITIGATING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS, AND EFFECTIVENESS OF THOSE ACTIONS

The Group undertakes to base its relations with end customers on trust, availability and flexibility, clarity and transparency, risk monitoring and listening. The Group's conduct is characterised by competence and seriousness, which make it possible to maintain the commitments made, always. Moreover, each action is inspired by the principles of economic, environmental and social sustainability, in order to ensure consistent and sustainable long-term development, so as to make an active, direct and informed contribution to the well-being of all stakeholders and the growth of the economic and social systems the Group serves.

On the basis of these general principles and with the intention of promoting a continuous, transparent, quality and safe service, the Group implements specific actions for its customers, grouped below by subject area.

SUSTAINABLE OFFERS

The Group's commercial company offers diversified energy products and tariff plans, suitable to satisfy the various requirements of households and companies. To optimise and rationalise consumption, the offers include advantages in terms of saving options, but also in terms of additional services such as the online support desk, call centre services, e-mail invoices, monthly invoicing based on real consumption, foregoing estimates.

There is also the possibility of personally contributing to social or environmental innovation solidarity projects. In fact, dedicated commercial offers have been studied and are of an important strategic nature, as they summarise all three aspects of sustainability: environmental, social and economic.

For example, Sinergika allows all customers in the country to choose a solidarity project that the Group will support each year with 10 or 20 euros (depending on whether the offer is activated for one supply or for both electricity and gas). The donation will continue for the entire time the customer is with the Group, and does not involve additional costs. There was a 19% increase in the active customer base in 2024 compared to the previous year, with 36,411 active contracts and 20 underlying projects, for a corresponding donation of 364,110 euros. A further increase of around 7,000 contracts is estimated for 2025.

Another example is the Etika offer, a territorial agreement dedicated to specific subjects within the province of Trento. In detail, together with Trentino Cooperation (Federazione trentina della Cooperazione, Casse Rurali Trentine, Sait, Consolida and La Rete), the Group pursues three objectives: to provide energy and gas at a fair price, protect the environment with renewable energy production and support people with disabilities and their families. The project envisages that, for each active contract, every year 10 euros is donated to a fund that finances social inclusion projects in Trentino. Also in this case, the active customer base has undergone an increase (equal to 8%), which is estimated to continue in 2025 with 2,800 new subscriptions. The 71,319 active contracts supported 30 specific projects. Thanks to the initiative, the Group was able to raise 713,190 euros in funds.

Furthermore, the Group has always been close to its customers in order to improve and keep its services accessible to families in particularly disadvantaged economic situations. Proof of this is the promotion of all the benefits provided by ARERA and/or other institutional subjects. In addition to this, sustainable repayment plans and the application of social bonuses favour the protection of disadvantaged categories of customers (such as those affected by floods and earthquakes).

PRIVACY

The aim of the Dolomiti Energia Group is to keep the Personal Data Protection Model constantly updated in hand with the technological evolution of company initiatives, corporate and operational changes, as well as stimuli from the Guarantor and the European institutions operating within the scope of privacy legislation.

In this logic, the Group periodically updates the personal data processing information to be sent to data subjects, taking into account new initiatives on the subject and consequently news regarding processing purposes and/or methods. The assessments of the risks linked to the relevant Group processing and procedures are also periodically updated. The events which have occurred in relation to personal data protection are summarised annually, also through the register of data subject requests to exercise their rights; the Group then assesses its consistency with the policies adopted. At the same time, the Group manages and monitors data breaches that have occurred, even when they are of low relevance. The main area of intervention concerns the customers of the commercial companies in order to guarantee the correct process of collection, management and use of consent, through privacy by default and by design initiatives linked to commercial activities to promote products and services and for customer management, also in IT development projects and new commercial partnerships or service provision. Furthermore, the actions are in line with the purposes of the processing and in any case preventive of the processing itself.

Considering cyber security as a continuous process, there are no specific time horizons for carrying out the actions described: the systems are subject to continuous updating and evolution.

The Group constantly implements initiatives to strengthen the Personal Data Protection Model also through the study and implementation of best practices and guidelines on the subject, with particular reference to codes of conduct. In this regard, the Group periodically audits reports from customers and carries out privacy audits in the internal and external structures involved; in addition, vulnerability and penetration tests are frequently carried out. There is also multi-factor authentication (MFA) for all utilities to avoid identity theft, the segregation of roles throughout the SAP area and the use of an ad hoc Microsoft system to limit access to sensitive data. End point protection and endpoint disk encryption systems together with the increased security measures associated with data backups provide additional security.

The actions described are applied to the entire surface of the group's information systems.

All privacy actions are aimed at protecting customers' personal data, with a view to confidentiality, integrity and availability. More specifically, customers are appropriately informed on the subject through privacy policies. In addition, customers have effective channels available to manage any concerns they may have in terms of the protection of their personal data for which the Group is responsible.

To support this, targeted personnel training on cyber security issues is envisaged both during onboarding and in ongoing training programmes.

DISTRIBUTION AND SERVICE INTERRUPTIONS

In the area of service quality, safety and continuity to customers, the Group works daily to optimise their effectiveness and make them increasingly punctual, avoiding delays and inefficiencies.

To this end, the company Novareti has implemented various actions. Firstly, in the event of significant interventions, the company implements the provisions of the Emergency Plans, designed to ensure maximum timeliness for emergency measures and favour supply continuity or restoration in the shortest possible time. The company updates the procedures for Gas Emergencies and Accidents at least every five years. Staff are periodically trained on them. In addition, contracts are activated with third party suppliers to guarantee the use of emergency equipment and supplies (for example, infill machines, cylinder trucks, availability of construction companies). This action concerns the entire gas distribution perimeter.

Novareti has extended the number of remote controlled end reduction sets and has increased the number of active signals for the reduction and measurement cabins (RE.MI). This is in order to remotely control the network in as many points as possible to identify any anomalies early and anticipate the presence of faults, reducing their management time.

Odorisation operations (which consist of the addition of substances with a penetrating odour to favour awareness of the presence of gas) have been remotely automated for some injections. Also in this case, the actions concerned the entire gas distribution perimeter and at least 90% of the set intervention objectives have been completed.

In addition, strategic meshing (support structures) of networks have been partly carried out in highly populated contexts or in hydro-geological risk areas. This involved the main sites managed by the Engineering Department, which is responsible for analysing the risk and prioritising the interventions on the basis of the major critical issue identified. In this context, some interventions have begun and will be completed in 2025 (this is the case of sites such as the MP Rovereto network, the Pozza di Fassa Bypass, TOC Fricca, and the RE.MI of Giovo). This activity is continuous, and every year the budgeted investment list is checked on the basis of the priorities highlighted.

Lastly, Novareti constantly monitors commercial quality services (such as activations/deactivations).

The actions are supervised by the Technical Director and the CEO, in compliance with the Integrated Certifications and with the other policies of the Dolomiti Energia Group. Their impact favours all end-users connected to the managed networks.

SET works carefully in each of its processes, with the aim of: on the one hand reducing and mitigating negative impacts on the end-user (and any other interlocutor of the processes) and on the other continuously improving the service, above all in terms of preventing faults and interruptions in the electricity supply. The internal identification and planning processes of investments favoured undergrounding overhead Medium Voltage (MV) lines in wooded sections. This has resulted in a reduction of the wooded sections involved in the operations, with a view to avoiding areas that expose the network to greater interruption risks. This has also sanctioned the commitment to the environment and the community, returning the forest to the territory.

This is followed by the reduction of pole transformation points, which aims to reduce the hypothetical risk of dangerous spills into the environment in the event of accidents and breakdowns.

At the same time, SET has increased the use of drones to improve the periodic inspection process of lines, optimising car travel, reducing inspection time and above all increasing the effectiveness of the inspection itself in order to identify critical issues in advance. The use of drones has also favoured savings on the cost of periodic inspections of MV lines, estimated at 15 euros/km.

The reference horizons of the aforementioned interventions are annual and multi-year and concern the entire territory in which SET operates.

Since these are strategic measures, the highest level of supervision is the CEO, while the objectives and results of the measures are constantly advertised and updated on the main communication media of SET, such as its website. The main stakeholder beneficiary of the actions described is the end consumer, who can count on greater network safety.

In addition to this, the company’s organisational structure guarantees service 24 hours/day, promptly intervening with internal and external resources in order to reduce the duration of any interruptions.

The combined effect of the organisation's investments on the network, preventive maintenance and interventions to repair faults has led SET to achieve consistently better objectives in the targets dictated by the authority. In fact, a key element of its progress is the annual report published by ARERA regarding the determination of bonuses and penalties related to the continuity of the electricity distribution service. In these publications, SET has been one of the best Italian distributors on the local market since 2016. The quantitative information demonstrating this performance includes, for example, the SAIFI (System Average Interruption Frequency Index) and SAIDI (System Average Interruption Duration Index) indicators, which are well below the objectives defined by ARERA. For the year 2023, the user-weighted indicators recorded a SAIFI of 1.07 (much lower than the 3.18 required by ARERA) and a SAIDI of 19.4 (again lower than the value imposed by ARERA of 54.8). It should also be noted that the effectiveness of the actions is also monitored through quality indicators.

TRANSPARENT COMMUNICATION AND CONTACT WITH CUSTOMERS

The Group is genuinely committed to managing and providing increasingly efficient services, in terms of both sustainability and accessibility. Moreover, the Group recognises the importance of transparent commercial communication and clear and correct marketing practices that allow customers to fully understand the costs and characteristics of the product, also offered in order to avoid the risk of reputational damage and economic harm.

To ensure maximum coverage in terms of both territory and service provided hours, the Group provides its customers with various channels. In traditional mode, the Group has physical touch points and a call centre.

- Dolomiti Energy Point: 11 physical branches in the province of Trento and 43 in Italy (the number includes the branches managed by Dolomiti Energia as well as the service provided to Novareti for the water service and to Dolomiti Ambiente S.r.l. (DA)). In fact, to offer further proximity and accessibility to citizens, the city of Trento was equipped with an additional Energy Point in 2024. In detail, the Dolomiti Energy Points in the province of Trento are located in Trento, Rovereto, Mezzolombardo, Pergine Valsugana, Borgo Valsugana, Tione di Trento, Cles, Riva del Garda and Cavalese. The Group guarantees the utmost commitment to accessibility to the Energy Points of Trentino even for the most fragile categories: to date, nine of the 11 Energy Points lack physical barriers (the two Energy Points which are not fully accessible are in non-proprietary premises).
  Also in order to facilitate access, Dolomiti Energia has continued to maintain the booking service to schedule access to the points, avoiding inconvenience and waiting times. Reservations can be managed both online and by calling the company's toll-free numbers. The opening hours of the Energy Points to the public reflect customers' needs to combine access to the service and working life; with this in mind, the Trento and Rovereto offices have continuous open hours to the public a few days a week, extended into the late afternoon. During 2024, in order to meet the numerous requests for information about the end of the protected energy and natural gas market, the company also extemporaneously extended the access hours to its branches, also welcoming customers on some weekends. With regard to Energy Points throughout the country, management is entrusted to experienced partners who are appropriately selected and trained. They provide customers with comprehensive advice for all their energy needs, including: analysis of domestic and business supply

costs, evaluation of offers for the supply of energy and gas, energy efficiency projects (such as LED lighting systems, electric vehicle charging stations, energy consumption monitoring), help with bill reading, management of take-overs, transfers and all contractual paperwork.

- Call Centre: The Group has a call centre diversified for retail and business customers, with personal assistants dedicated to large customers. For residential customers, a toll-free number is available 82 hours a week (also on Saturdays, and until late in the evening from Monday to Friday). The toll-free number for business customers is active 50 hours a week, and managed with specialised operators in order to offer an ad hoc service. The telephone service is subject to continuous monitoring and improvement, with particular reference to the service quality and the ability to respond, increasingly attentive to meeting commercial and information needs and requirements.

Through the digital channels available to customers, it is possible to optimise services, reduce travel in the territory, increase the efficiency of operations and limit the use of paper. The digital channels include:

- Chat: online, available to customers and accessible directly from the digital area at www.dolomitienergia.it for even more immediate contact. It has also been possible to receive bills via Whatsapp since 2024.
- SMS: a notice and alert system via SMS is active. Free of charge, it allows customers to be updated about the issuance of bills, in the event of contractual changes, as well as to receive notifications bill non-payment.
- E-mail: customers can contact the Group through dedicated e-mail addresses. A procedure was recently introduced to collect all e-mails or reports of customer complaints, so as to be able to track and verify the reports individually and reduce response times. Moreover, the incentive campaign to use the bollett@mail also continued. The service allows to eliminate paper bills, with obvious benefits both from an environmental point of view and in terms of simplified accessibility, also for past bills thanks to a convenient digital archive.
- Website: the new Group's new online page is the most successful channel, also thanks to periodic maintenance and improvement, with simple and intuitive browsing and maximum transparency and clarity of the information reported. Starting in 2023, in accordance with the dictates of accessibility, a process was started to update the Dolomiti Energia sales site. This has allowed easier and more inclusive access for users, providing a better and more accessible experience. In addition, measures continued in 2024 to allow customers to easily identify the commercial offers and services that best suit their needs, also refining the possibility of making requests in a fully digital manner. Within the website it is possible to access the myDOLOMITI Reserved Area, available to residential customers and businesses to search for information on contracts, billing and consumption, but also to send the self-reading of their meters, request the instalment plan of a bill and autonomously activate certain procedures (such as the activation of bollett@mail or direct debit bill payments).

The development of a mobile phone application that integrates the offer of the digital touch points is planned for 2025.

As anticipated, the Group's objective is to guarantee continuous improvement in the service quality provided and the sustainability of the products sold, offering maximum transparency and providing clear information. For this reason, the channels established are not sufficient, and must be supported by parallel actions such as monitoring quality indicators, replaying calls and the continuous investment in operator training and in adapting the technological infrastructure.

Precisely with reference to operator training, dedicated activities continued in 2024, also with a view to updating. The training focused on the use of the information systems and specific and sector-related training continued, with particular reference to legislative and regulatory issues, the performance and evolution of the energy and gas commodity price scenarios and specific knowledge of the characteristics of the products sold.

Training was accompanied by the provision of adequate work tools, which are fundamental elements for having operators able to manage their work in the best possible way and guarantee the best result and engagement. In this regard, the commitment to making workplaces welcoming and suitable for the size and type of work carried out continued in 2024. During the year, the renovation of some spaces in the operation area was completed. Activities were also completed in 2024 connection with the 'Butterfly Project' launched in May 2022. It is aimed at revising and modernising the management systems in use by the Group and the sales company in particular, with a view to improving them to meet emerging business needs. The interventions completed reflect the company mission and the innovation objectives that the Group pursues and guarantees to society:

- To operate with a high degree of digital adoption, with a consequent reduction in the processing times of files and requests, in addition to the reduction of costs and the impacts expected from printing and delivering documentation in paper;
- To simplify processes and management flows, optimising processing times and reducing the degree of error;
- The possibility of building products and offers increasingly tailored to the customer, optimising the time slots of higher energy production from renewable sources;
- The expansion and optimisation of the data available to customers in their digital area, with particular attention to their consumption habits.

MDR-T AND S4-5 TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

The targets related to customers and end-users envisaged by the Group ESG strategy presented in section SBM 3 of this Statement are shown below.

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
PROMOTING THE SUSTAINABLE DEVELOPMENT OF TERRITORIES AND COMMUNITIES	Support for social inclusion projects Support for projects to promote social inclusion and the well-being of the territories where the Group operates (e.g., Etika and Sinergika offers)	Extension of the Sinergika offer	7.000 new customers acquired	2025	36.411 active contracts

MDR-M METRICS

The metrics related to the material topic of Quality, safety, continuity and accessibility of products and services are shown below.

MUNICIPALITIES SERVED

The table below shows the number of municipalities served, depending on the reference business. With regard to integrated water services, it should be noted that the number refers to the municipalities served by only ecological systems, while for urban hygiene note that the municipalities served are Trento, Rovereto, and another 19 municipalities in Vallagarina.

Number of municipalities served

Reference business	Value
Electricity Distribution	156.00
Gas Distribution	92.00
Integrated Water Cycle	9.00
Urban Hygiene	21.00
Coge/District Heating	2.00

CASES OF NON-COMPLIANCE

With regard to cases of non-compliance with regulations or voluntary codes regarding information and product/service labelling, it should be noted that no non-compliance has been claimed against the company that led to fines or recalls during 2024.

DIGITALISATION OF SERVICES

The table below shows the percentage of digital bills that have been delivered, and the relative volume of kilograms of paper saved. The numbers refer to the Electricity, Natural Gas and Water Service areas. Data referring to DA utilities are excluded.

Digital bills

	Unit of measurement	Value
digital bills	%	50%
paper saved for digital bills	Kg	67,000.00

In addition, the number of contracts signed digitally in 2024 is shown below. Also in this case, the numbers refer to the Electricity, Natural Gas and Water Service areas. Data referring to DA utilities are excluded.

Contracts signed digitally

	Value
No. of contracts signed digitally	122,320.00

SERVICE INTERRUPTION

In relation to power outages, theservice interruption frequency index is shown below, with the value of the service interruptions recorded in a timely manner in the company management systems, together with the target set by ARERA. The data are periodically audited by the ARERA supervisory body.

Accessibility - Service interruption frequency index

		Unit of measurement	Annual value	ARERA target
Concentration average number of outages per year for LV users due to outages without notice	Low	minutes	1.33	1.314
Concentration average number of outages per year for LV users due to outages without notice	Medium	minutes	0.64	0.703
Concentration average number of outages per year for LV users due to outages without notice	High	minutes	0.12	0.34

PROTECTION OF CUSTOMER PRIVACY AND COMPLAINT MANAGEMENT

With regard to customer privacy, below is a summary table of complaints for violations of privacy and loss of customer data. It should be noted that detailed reports on the nature and impact of the event related to data subject rights are developed for each individual event. Each event is recorded - together with all the documents assessed - in an electronic register. In addition, the assessment metric is shared with the Data Controller and/or with the CEO of the company for the purpose of their acknowledgement and approval of the activity carried out.

Complaints for violations of privacy and loss of customer data

	Value
Complaints from external and confirmed parties	1
Complaints from regulatory bodies	0
Leaks, theft, loss of customer data	6

It should also be noted that in 2024, 10,066 complaints related to company impacts were received, addressed and resolved through formal complaint management mechanisms, with regard to the distribution of electricity, gas and water. For the environment division, the number is 1,599.

With regard to the supply of water, electricity and gas, the company responds to all complaints received, even those that are unfounded or concern issues attributable to local distributors. The topics are mostly focused on clarifications related to invoices or pricing. In this case, the company responds after consulting the local distributors on the local market through specific processes and channels, using the processes regulated by the Single Buyer. The company carefully monitors response times in order to track cases that exceed the deadlines defined by ARERA: if the maximum time limit is exceeded, the company provides the customer with the relative indemnity.

With regard to the environment, most of the reports refer to the request for bill clarifications or reports of non-collection/delayed collection. With respect to the reports collected, the Group activates a virtuous process of continuous improvement.

GOVERNANCE
G1 BUSINESS CONDUCT

ESRS G1

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Positive impact	Promotion and dissemination of the principles of environmental, social and governance sustainability in the value chain (e.g., through the inclusion of ESG requirements in supplier selection and qualification) (CURRENT)	Short Medium Long	Sustainable development strategy	*Upstream e downstream value chain*
Positive impact	Contribution to the socio-economic development of the communities where the Group operates by supporting cultural and sporting events through donations and sponsorships (CURRENT)	Short Medium Long	Stakeholder dialogue and support for community development	*Downstream value chain*
Risk	Reputational damage and reduction in the possibility of winning public tenders and concessions due to a less competitive positioning on sustainability issues compared to other market players	Long	Ethics, integrity and transparency in business and governance	*Own operations*
Risk	Supplier non -compliance with the ESG requirements imposed by the Group with consequent reputational damage	Long	Sustainable development strategy	*Upstream e downstream value chain*
Opportunities	Facilitated access to sources of loans (sustainable finance) in light of competitive sustainability performance	Long	Sustainable development strategy	*Own operations*
Opportunities	Improvement of the Group's sustainability performance and resilience by strengthening ESG requirements in supplier selection and qualification	Long	Sustainable development strategy	*Upstream/Downstream value chain*

MDR-P AND G1-1 CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

The Dolomiti Energia Group (DEG) has multiple policies available, all aimed at establishing ethical conduct, spreading the corporate culture and guaranteeing operational sustainability. Among the instruments inherent to internal processes, documents such as the Code of Conduct, the Anti-Corruption Policy and the Management, Organisation and Control Models pursuant to Italian Legislative Decree 231/2001 contribute significantly to the purpose. These documents define the principles, roles, responsibilities, rules of conduct and operating methods valid for the subjects operating in the DEG, are subject to verification and approval processes by the responsible employees and are made available on the Group's website. In particular, the Code of Conduct establishes the guiding values of listening, competence, synergy and innovation, and is available to all stakeholders on the website.

In addition, ISO 9001, ISO 14001, ISO 45001 certifications and EMAS registration are fundamental elements. These recognitions, some of which obtained on a voluntary basis, attest to the Group's commitment to quality, environmental sustainability and workplace safety and are an essential requirement for participation in public tenders.

The commitment to maintaining policies and certifications is essential to further strengthen corporate credentials, enhance the Group's competitive positioning in terms of sustainability and thus reduce the risk of not winning public tenders and concessions.

The risk of incurring reputational damage or compromising the company's image is also reduced. Other tools such as procedures, policies and regulations referring to internal processes also contribute to communicating the corporate culture and conduct, and are accessible to employees through the internal document system and the company intranet. In the event of updates or new publications, employees are promptly notified of changes in the procedures and policies under their responsibility.

For more details on the policies adopted with regard to the management of relations with suppliers, please see section G1-2, while for those relating to the prevention of corruption, please see section G1-3.

MDR-A ACTIONS

MANAGEMENT OF CONCESSIONS

The Dolomiti Energia Group is subject to the risk of non-renewal of the concessions on which the main Group companies operations are based. Information on expiring concessions and how the Group operates to mitigate this risk is provided below.

- Electricity distribution: the expiry of the concession currently under SET Distribuzione is scheduled for the end of 2030, however at the end of 2024 an amendment to the Budget Law provided for its possible extension up to a maximum of 20 years against an extraordinary multi-year investment plan. This extension may be granted with the express purpose of fostering the continuity of investments to improve the security, reliability and efficiency of the distribution network as a critical infrastructure, to achieve the decarbonisation targets set by international agreements and by the European Union to 2050, as well as to ensure urgent measures to strengthen the defence and security of the distribution infrastructure. The five-year investment plan of SET Distribuzione is currently under review and already pursues these virtuous objectives that will facilitate the electrification of final consumption and the increase in production from renewable sources, combined with the reduction of the environmental impact of the infrastructure itself (reduced overhead lines, reduced transformation posts on poles, elimination of switches containing greenhouse gases). In addition, environmental and safety certification will be obtained (ISO 14001 and 45001) within the plan horizon.
- Hydroelectric power generation: the Group currently holds 16 Large Hydroelectric Derivation (LHD) concessions (13 for HDE, two for DEE and one for DEH). The concessions of HDE will expire on 31 March 2029, that of DEH on 31 December 2032 and those of DEE on 27 August 2025 and 31 December 2027. All the companies comply with the minimum requirements of Provincial Law 4/1998 to participate in tenders for the renewal of concessions, and the environmental certifications with which they are provided are valued for the purposes of allocating the concessions. Similarly to electricity distribution, regulatory changes may lead to an extension or reallocation of LHDs to the current concessionaires against an investment and payments increase plan accepted by the granting Authority. In particular, for the DEE concessions about to expire, the Province may decide to proceed through competitive renewal.

- Environmental services: the expiry of the concession currently held by Dolomiti Ambiente for the Vallagarina basin is scheduled for 2041, while for the Trento and Rovereto basin the concession expiry in 2025 has been extended for another five years, without particular conditions in terms of planned investments. Dolomiti Ambiente's commitment to offering a sustainable and quality service, in compliance with the standards set by the reference regulations (Municipal Regulations, Provincial Waste Management Plan, ARERA Regulations) and the certifications obtained (ISO 9001, ISO 14001 and EMAS Regulations), and particular attention to the opportunities for digitalisation and decarbonisation of the fleet significantly reduces the risk of non-renewal.
- Water cycle management: the expiry of the most important concessions currently held by Novareti is scheduled for the end of 2037 for the Municipality of Rovereto and 2040 for the Municipality of Trento. It should be noted that the Galli Law which reformed the water system in Italy in 1994 was never formally implemented in Trentino. The main reason is that the Autonomous Province of Trento has a special competence in water management, thanks to the Statute of Autonomy. This has allowed the Province to develop its own model, different from that envisaged at national level. One of the central aspects of the Galli Law was the creation of Optimal Territorial Areas (OTA) and the possibility of entrusting the management of water to private parties. Trentino, on the other hand, has chosen to maintain strong public control over water resources, managing it directly through local authorities and companies with predominantly public capital. It is not excluded that in the near future, given the increasing centrality of issues regarding the management and protection of water resources, the Entity could review the methods of management and territorial coverage.
- Gas distribution: at the end of 2023, the Autonomous Province of Trento published the tender for reassignment of the natural gas distribution concessions in municipalities of the Single Provincial Area of Trento (ATEM). The tender concerned concession of the public natural gas distribution and metering service in all the Trento area Municipalities and the Municipality of Bagolino in the Province of Brescia (for a total of 167 Municipalities), all forming part of the Trento ATEM. With the publication of this and other tender-related documents, the Autonomous Province of Trento then launched the tender procedure to identify the economic operator to which the public natural gas distribution service for all Municipalities in the Trento ATEM area will be entrusted for the next 12 years. The tender was expected to be carried out using the open procedure with a deadline of 19 July 2024 for submitting the offer. As known, participation in the tender has always been of strategic interest to Novareti S.p.A., which is currently the largest operator of the service in the Trento ATEM. The outcome of the tender, expected in the spring/summer of 2025, regarding natural gas distribution will represent a historic moment for the company, which could confirm itself as the sole territorial operator or review its role in the sector's business. Therefore, the future evolution of Novareti management will depend on the outcome of this tender and on the company strategy that will be adopted in response to its results.

Overall, the Group is structured with resources responsible for monitoring regulatory developments, preparing technical investment and future management proposals, with the related economic-financial plans and Reports on Operations necessary to participate in competitive procedures for the renewal of concessions. On the basis of the potential requirements that the tenders may require, potential critical points and areas for improvement are analysed for the various Group companies, also considering the opportunity to extend the scope of certifications valued by the various tenders.

OUR COMMITMENT TO THE COMMUNITY: REAL ACTIONS FOR A SUSTAINABLE FUTURE

Over the last year, the Group has consolidated its commitment to the community with concrete initiatives in support of inclusion, sport, culture and social sustainability. The value of a company is also measured by its contribution to collective well-being: this is why the Group has invested in projects that generate a positive impact on the territory. Procedures have been formalised for managing donations and sponsorships.

In 2024, the Group supported initiatives to promote cultural change with the launch of the process for membership in Valore D, the network of companies engaged in issues related to DEI. The Group has promoted and participated in events aimed at supporting gender equality and is committed to safeguarding the national cultural heritage by membership in the FAI Corporate Golden Donorprogramme, in the belief that economic growth must go hand in hand with responsibility towards society. Through sponsorships, donations and collaborations of various kinds, the Group has contributed to sports, environmental, artistic and solidarity initiatives, fostering active participation and a sense of belonging to the community. Some examples are sports sponsorships, namely Dolomiti Energia Basket Trentino, Arte Sella, Oriente Occidente, the Festival of Economy and the Mountain Film Festival, which for over 70 years has been the reference event dedicated to mountain issues as a key to interpreting environmental, cultural and current issues, and the promotion of a culture of sustainability through the partnership with the Trento Science Museum (MUSE) and the presence of an installation in the Sustainability Gallery hosted by the Museum itself.

Membership in networks and associations engaged in various areas of sustainability allows the Group to strengthen its role as a responsible player, capable of creating value not only for its stakeholders, but for the entire country.

More specifically, the commitment to disseminating and raising awareness on clean energy issues continued in 2024, proceeding with the opening to the public of the Riva del Garda, Cogolo, Taio, Bussolengo and Santa Massenza plants through Hydrotour Dolomiti, the project aimed at enhancing and raising awareness of hydroelectric power plants, topics related to green energy production and the territories surrounding them. Visitors were able to discover, accompanied by qualified personnel and thanks to dedicated installations, many issues related to environmental and social sustainability.

The Group's economic impact is also measured by the support it provides to public spending thanks to its contribution to tax revenue and the remuneration of the capital of its public shareholders, thus favouring further investments beneficial to the community by public bodies.

The remuneration of shareholders will be paid by the Dolomiti Energia Holding 2024 dividend, which will largely benefit the community through the public shareholders of the Parent Company.

Focus on education: degree awards in memory of Massimo De Alessandri

A new edition of the degree award in memory of Chairman Massimo De Alessandri was published in 2024, which was awarded in cooperation with the University of Trento. These are four degree awards worth 1,000 euros for graduates of the University of Trento's Master of Science programmes.

RELATIONSHIPS WITH SUPPLIERS

For information on the actions taken with regard to the management of relations with suppliers and the prevention of corruption, please see sections G1-2 and G1-3.

MDR-T TARGETS

The targets related to business conduct envisaged by the Group ESG strategy presented in section SBM 3 of this consolidated statement are shown below.

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
ETHICAL AND SUSTAINABLE GOVERNANCE (1/3)	Strengthening ESG governance Formalisation of roles and responsibilities related to ESG issues	Scouting for ESG rating/score	Compilation of the questionnaire and analysis of potential results with a view to possible publication	2025	No ESG rating
	Strengthening ESG governance Conducting ESG training courses	Conducting awareness-raising and training sessions on ESG issues for employees and members of governance bodies	Definition of the editorial plan of e-learning content related to ESG issues for the entire Group 2 training actions for members of the Board of Directors and Board of Statutory Auditors Performance of at least one activity during the year by 88.5% of people Performance of all activities of the year by 45.5% of people	2025	2 inductions in 2024 for the Board of Directors and Management
		Targeted training course on communication issues, including a focus on the Green Claims Directive to be provided to the sales network (already provided to employees of the Holding company and the various business areas)	Inclusion of the course in the 2025 training plan with in-person and remote activities	2025	1 course started in December 2024 and concluded in January 2025

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
ETHICAL AND SUSTAINABLE GOVERNANCE (2/3)	Strengthening ESG governance Definition of MBOs associated with ESG objectives	Introduction of ESG objectives associated with the MBO variable remuneration of managers and executives	Assignment of 1 ESG objective	2025	No ESG MBO
	Strengthening ESG governance Raising the proportion of women in management bodies	Increase in the % of women in the organisation with managerial qualifications (KPI 4 required by UNI PdR 125)	Achievement of a % of female executives sufficient to guarantee KPI 4 envisaged by UNI PdR 125	2026	DEH 16.67% of female executives (target value 26.53%) DE 0% of female executives (target value 26.53%)
		Increase in the % of women present in the organisation with powers over an expense/investment budget (KPI 7 required by UNI PdR 125)	Achievement of a % of women with powers over a budget sufficient to guarantee KPI 7 envisaged by UNI PdR 125	2026	DEH 28.57% of women with powers over budget (target value 26.53%) DE 0% of women with powers over budget (target value 26.53%)

BUILDING BLOCK	AMBITION	STRATEGIC LINE	TARGET	DUE DATE	BASELINE 2024
ETHICAL AND SUSTAINABLE GOVERNANCE (3/3)	Sustainable procurement Strengthening ESG requirements in the procurement process	Integration of ESG criteria in the supplier qualification and selection process	Project dedicated to the definition of a new 'Responsible Sourcing' process	2025	Qualification and selection criteria described in section G1-2 of the consolidated sustainability statement
	Ethical conduct Adapting to regulatory developments and guaranteeing personal data protection	Continued reduction of cases of personal data breaches	Achievement of 0 leaks, theft, loss of customer data 0 complaints from external confirmed parties 0 complaints from regulatory bodies	2025	6 leaks, theft, loss of customer data 1 complaint from external and confirmed parties 0 complaints from regulatory bodies
		Achievement of full compliance with the AI Act	Guarantee of compliance with the requirements of the AI Act for at least 50% of operations or matters subject to the regulation	2026	0% compliance with the requirements of the AI Act

G1-2 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

The organisation of the Group's procurement process is inspired by the general principles of economy, effectiveness, impartiality and equal treatment. The Group gives full publicity to its procurement operations in a transparent and proportional manner, ensuring that it respects environmental protection and pursues energy efficiency.

The Group's main procurement concerns energy raw materials and the execution of work, services and supplies to support the various businesses. With the exception of energy raw materials, logistics envisages centralised management headed by the Parent Company for all subsidiaries. The prevalence of national and local suppliers is determined by the specific nature of the business, together with the need to carry out maintenance interventions in a very short time to ensure maximum system safety. Competitive needs are also met nationally in relation to the transport costs of supplies, and environmental needs, since the transport of high weights and dimensions have less impacts on the environment if carried out for short distances.

All the main stages of the relationship with suppliers are managed through an e-procurement platform to facilitate easy and equal access to the Group's procurement requirements by interested economic operators. This is enabling for transparency and traceability, but also for a lower operating cost, and therefore a lower price to the public. In addition, the supplier portal guarantees the application of the safeguards adopted in the Code of Conduct and 231 Model, the unambiguous identification of functions, persons responsible for process steps and their authorisation profiles.

Procurement activities that are critical to the Group's business segments mainly include the supply of materials and electrical equipment, works and service contracts in the areas of gas and electricity distribution, hydroelectric power generation, energy efficiency and information technology.

By facilitating the promotion and dissemination of the principles of environmental, social and governance sustainability in the value chain, a risk analysis policy was set up in 2024. In fact, the Procurement Department plans to launch a strategy jointly with the ESG Department in 2025 in consideration of the results of the dual materiality analysis. In this regard, an action plan will be implemented that will make it possible to collect and monitor data relating to the ESG compliance of critical suppliers (already underway with economic-financial monitoring), creating the basis for identifying the policies that the Group intends to undertake in the future. In particular, the Group's critical products will be identified, an initial ESG rating campaign will be carried out and the minimum qualification requirements will be reviewed.

The processes are managed considering three main phases of the relationship with suppliers: qualification and selection, the management of the relationship and archiving thereof (described in detail in the actions section).

The qualification and selection activities are carried out in compliance with Public Procurement Regulations, where applicable, and the internal Regulations, also inspired by general principles. This phase involves the assessment of offers, and is critical due to the material use of external labour in the procurement of works, services and supplies, both for the maintenance of networks and plants and for the continuity of the services provided.

Group employees are required not to preclude any economic operator meeting the requirements from competing, adopting objective and transparent evaluation criteria in the selection. For qualification purposes, a fully tracked IT process evaluates different dimensions. These include general, administrative and financial characteristics (with a focus on solidity and paying capacity), but also of quality, safety and sustainability, as well as clearly technical characteristics (with reference to the technical and organisational capacity of developing the professionalism of its workforce). Furthermore, at the time of qualification, suppliers are required to prove the existence and maintenance of documented procedures for workers' protection; the Group does not compromise on occupational safety, which is why the relative requirements are excluded from the economic competition for the allotment of tenders.

The Group adopts strict rules not only when qualifying the supplier, but also in the management of the contract execution phase.

Periodic control are envisaged in various regards, such as possession of the documentation required by current legislation on employment contracts. With regard to health and safety, accident and occupational disease data related to events occurring in the performance of the activities commissioned by the Group are collected. As required in contracts with contractors, information on any accidents that have occurred must be provided immediately. The employer of the economic operator must also ensure that each worker receives sufficient and adequate training, also with respect to language knowledge, as better specified in Article 37 of Italian Legislative Decree 81/2008 as amended. Also with regard to training, it is verified that it is actually and constantly carried out in an appropriate and specific manner for the operational areas for which the economic operator proposes its collaboration with the Group. Differentiated certified specific training is required in relation to the professional figures identified, starting from the most generic roles and with a focus on specific areas of intervention considered particularly delicate (such as operators involved in the assembly and maintenance of underground and overhead lines, plant trimmers, site managers, foremen and safety managers, operators in confined spaces, drivers of work vehicles, welders, operators on gas, electricity and water distribution lines and, in general, on operating plants).

With regard to appointments, the existence of specific appointments by virtue of the tasks entrusted is checked (such as Expert Persons, Warned Persons and Common Persons, in accordance with CEI-EN 50110-1 (CEI 11-48) and CEI 11-27)). The verification of the appointment of the Prevention and Protection Service Manager (RSPP), the site safety officer, the emergency manager and his deputy, and the company doctor is also envisaged. For companies belonging to sectors deemed more significant in terms of environment and health and safety, an in-depth study of management practices is planned. Group employees are responsible for observing the contractually agreed conditions and maintain clear and correct relations with public officials and private counterparties, avoiding any behaviour likely to impair the counterparty's freedom of judgement.

With foresight and precaution, the Group appropriately manages relationships with suppliers, also to avoid delays in payments. For this reason, company processes are in place monitoring invoices recorded in the system and the related payment terms daily.

Finally, accurate and complete archiving of all documentation of the entire selection, procurement and management procedure is foreseen, so that each operation can be reconstructed. Businesses remain in the Register of Qualified Suppliers subject to checking that they maintain the minimum requirements and to the results of audits and Vendor Rating activities of the services they offer following the execution of contracts awarded.

The Group is aware of the risks posed by suppliers' non-compliance with ESG requirements, and aims to improve sustainability performance also through the involvement of the supply chain. Although a specific action plan for the selection and qualification of suppliers based on ESG requirements was not defined in 2024, these are planned for the years to come. In fact, as already mentioned, specific ESG metrics will be introduced in the supplier qualification questionnaires within the e-procurement system during 2025; these will make it possible to collect and monitor data relating to the ESG compliance of suppliers, creating the basis for identifying the actions that the Group intends to take with its suppliers in the future.

In a holistic view of the concept of sustainability, the initiatives are not limited to the environmental sphere. With a significantly positive impact on the social aspect, the Group invests in partnerships such as that with the cooperative Bee4Altrementi: this is in order to develop skills, provide training and work opportunities, and build innovation even in difficult contexts such as prisons. The cooperative manages back office activities and responds to customer complaints, making use of people detained at the prisons of Bollate and Vigevano. This collaboration aims to demonstrate that change is possible for the Group and that every individual, regardless of their past, has the potential to positively contribute to society.

MDR-M METRICS

The metrics related to the material topics are shown below; Ethics, integrity and corporate and governance transparency, Sustainable development strategy and Stakeholder dialogue and support for community development.

G1-3 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

The Group is strongly committed to preventing and combating corruption in all its manifestations, both direct and indirect. For this reason, prevention measures have been implemented for some time, continuing with initiatives of constant updating, training and communication as the company's organisation and operations evolve.

In practice, the Group adopts adequate preventive measures in compliance with current national regulations and applies the principles of the Internal Control and Risk Management System (ICRMS). This system is based on international standards recognised as best practices for effective business management and for the prevention of corruption. These include:

- Segregation of roles: breakdown of responsibilities in company activities, so that the decision-making, execution and control phases are entrusted to different parties, thus avoiding concentrations of power;
- Management of conflicts of interest: preliminary verification, during the allocation of management and control assignments, of the absence of situations that may generate incompatibility between the personal interests of the person responsible and those of the company;
- Separation of decision-making processes: clear distinction between the functions of directors and those of operational managers to prevent situations of interference, collusion or undue influence, ensuring that each role maintains autonomy and responsibility in its own responsibilities;

- Process standardisation: clear and uniform definition of company processes to ensure efficiency, transparency and ease of control by the responsible bodies;
- Transparency and accountability: the company applies strict rules for the publication of financial statements, the management of tender procedures and the allocation of tenders, ensuring maximum transparency in decision-making processes.

The ICRMS consists of a set of rules, procedures and corporate functions aimed at guaranteeing correct business management through an effective system of risk identification, assessment, management and monitoring, including those related to corruption.

Currently, 39 processes sensitive to corruption offences with the public administration have been identified within the Group, 36 processes sensitive to corruption offences between private parties and 29 processes sensitive to bribery. The functions involved in the process exposed to the risk of corruption are directly involved in the application of dedicated controls. In fact, following the application of the ICRMS, the Group has adopted procedures and company documents designed to prevent, identify and manage assertions or cases of corruption and bribery. Through these tools, for each process sensitive to corruption offences, the methods for committing the offence and suitable prevention measures were identified and mapped.

First and foremost, the Code of Conduct (updated in 2024) expresses the reference values, commitments and ethical and behavioural responsibilities that the Group's directors, employees and collaborators must assume on a daily basis in the conduct of business and in the performance of company activities.

The Code aims to prevent irresponsible or unlawful conduct by those operating in the name and on behalf of the Group. More specifically, there are specific requirements which must be respected in relations with customers, suppliers and external collaborators, with partners, in relations with public institutions, credit institutions and insurance companies.

The Organisation, Management and Control Model (231 Model) is another tool aimed at preventing corruption. It establishes and formalises, for each Group company, the rules, principles, tools and control mechanisms adopted to prevent the commission of the offences envisaged by Italian Legislative Decree 231/2001, including corruption. The fixed prevention protocols of the 231 Model have a direct impact on the Organisational System, calling for the traceability and transparency of transactions, the system of signature and delegation powers, the reporting and penalty management system, as well as the establishment of a Supervisory Body. Appropriate training and communication of the Model are envisaged.

To stem the risk of corruption, the Anti-Corruption Policy was then introduced, updated in 2024 and able to strengthen what has already been established by the Code of Conduct and the 231 Model.

Another tool is the Steering and Control Regulation, which governs the Group's governance model for the separation between management and operational activities. This Regulation constitutes the general reference framework for relations between the Parent Company and its subsidiaries, in order to standardise the organisational and behavioural rules and decision-making processes.

The Group Disciplinary Code regulates the conduct of employees and establishes the related sanctions in the event of violation.

Lastly, the following instruments are part of the ICRMS and indirectly contribute to the prevention of corruption: the System of Company Procedures adopted to clearly and effectively regulate the relevant processes of the organisation; the System of delegations and powers conferred, which establish the allocation of specific powers of attorney; the 'Management of gifts and sponsorships' procedure.

Compliance with the identified controls is subject to periodic monitoring by the individual Supervisory Bodies of the Group companies, which carries out audits with the support of the Internal Audit and Personal Data Protection Department of Dolomiti Energia Holding (DEH).

In the case of corruption offences, the Board of Directors specifically appoints the Corruption Prevention Manager, who has the task of supervising the effective enforcement of anti-corruption measures in coordination with the Group's Internal Audit Plan and the Plan of Supervisory Bodies of the various companies of the DEG.

In order to combat corruption and in compliance with the relevant regulations, the Group operates with specific activities.

- Reporting system: The Group has a system that allows the reporting of offences (ascertained and/or alleged and/or incitement), and the subsequent management thereof according to the highest standards of transparency, integrity and reliability. Traditional reporting tools are via email and paper. The Supervisory Bodies of each company have an email address published on the company Intranet and in the Models of each company. The members and contacts of the Bodies are also summarised on the website of each company. The whistleblower may also send the report in paper to a dedicated physical address, directing it to the attention of the Reports Committee which will forward it, if applicable, to the Supervisory Body or to the Corruption Prevention Manager. In line with current national regulations, the Group also provides the Whistleblowing channel, a digital platform through which anonymous reports can also be sent. The protection of whistleblowers is guaranteed by the implementation of all the Whistleblowing channels, which allows the whistleblower to make a report in confidence and ensuring protection from any retaliation in compliance with Italian Legislative Decree 24/2023. All the specifications in relation to the methods of processing the data of the whistleblower, the management of their report and the protection and guarantees offered are outlined in the Whistleblowing Policy. In any case, any problem relating to requests and reports regarding the processing of personal data can be sent both to the institutional certified email channel dedicated to the processing of these issues (as specifically indicated in the Privacy Policies provided to the data subjects), or to any office of the Group companies (which will forward the request to the Internal Audit and Personal Data Protection office responsible for processing such requests). The Whistleblowing Committee is the collective body responsible for managing and coordinating the preliminary activities resulting from the reports received. Its composition includes the presence of the Chairman of the Parent Company DEH, the Internal Audit and Personal Data Protection Manager, as well as an independent external lawyer with a permanent assignment. It is chaired by the Chairman of the Parent Company DEH, while the Internal Audit and Personal Data Protection Manager assumes the role of secretary, taking minutes, and is responsible for keeping the documentation in compliance with the current procedure. These individuals do not participate in the authorisational decision-making processes, guaranteeing independence and professionalism collectively, but also integrity and confidentiality in the collection and management of reports and in subsequent verification activities, in line with Italian Legislative Decree 24/2023 and with internal company regulations in this regard. The investigators or the investigative committee are also separated from the management chain involved in the prevention and detection of corruption or bribery. If the report concerns the behaviour of one of the parties forming the Whistleblowing Committee, the Group recommends that the whistleblower address the report directly to the other members of the Committee who will manage the verifications in an appropriate manner according to the case. The computerised Whistleblowing channel already provides alternative channels that make it possible to exclude one of the members of the Whistleblowing Committee from the communication. After examining each report according to the envisaged internal procedure, the Committee promptly informs the Supervisory Body and/or the Corruption Prevention Manager in the event that corruption aspects emerge.

- Communication: The Code of Conduct, the Anti-Corruption Policy and the Organisation, Management and Control Models of Italian Legislative Decree 231/2001 are published on the website of the Group as well as of the respective companies. These documents are also available in the section on the company intranet. All partners and commercial suppliers are notified of anti-corruption practices also through dedicated clauses within their respective contracts. With reference to the Management, Organisation and Control Models, specific information flows to and from the Supervisory Bodies of each Group company are envisaged. In particular, mandatory information flows are envisaged which, in addition to reports relating to violations, may include general information, such as disciplinary proceedings initiated for alleged violations of the Model, any changes that may affect the adequacy of the Model's effectiveness and updates of an organisational nature and on the system of delegations. The information flows can also be specific, as is the case for aspects concerning safety and the management of environmental obligations. The Supervisory Body also reports on the Model's enforcement and the emergence of any critical aspects and communicates the outcome of the activities carried out, in the exercise of the tasks assigned, to the Board of Directors, the Board of Statutory Auditors and the Shareholders' Meeting. The details of all the related information flows are specifically reported in the respective Management, Organisation and Control Models relating to each Group company, pursuant to Italian Legislative Decree 231/2001.

- Training: For internal disclosure, specific anti-corruption training is provided both during the onboarding phase (scheduled every month for new hires in the period), and through specific training provided in person or in e-learning mode to the various areas and company functions (net of collection and sweeping operators, who are involved exclusively during onboarding. For new hires, the training is in e-learning mode and lasts about two hours, during which topics such as the definition of corruption, the difference between corruption and bribery, and the Group's measures to combat it and the procedures for consulting these measures are addressed. The Code of Conduct, 231 Model and anti-corruption and whistleblowing policies/practices are the topics analysed more thoroughly. With reference to Whistleblowing, a real guide is provided that addresses the reporting procedure (through an internal channel), the obligations envisaged by the parties responsible for managing the reports, as well as the guarantees adopted to protect the whistleblower and the reported person and the consequences in the event of abuse of the procedure and the rights and duties of the parties involved. For the prevention and identification of corruption and bribery, 100% of the following "functions at risk" are involved in specific training: Human Resources, Procurement and Chain Management, Sales and Marketing, Finance. Management is also involved in training sessions on these issues, in particular on Whistleblowing, on the definitions of the ANAC guidelines and Italian Legislative Decree 24/2023, on the reporting procedure (with a focus on the internal channel), the obligations envisaged for the parties responsible for managing the reports, as well as the guarantees adopted to protect the whistleblower and the reported person and the consequences in the event of abuse of the procedure. For management, an 80% participation rate was recorded in 2024. Training takes place through the direct involvement of the Internal Audit and Personal Data Protection office, which oversees all activities in the field of privacy and 231 compliance, in collaboration with the HR/ Training & Development Department and the possible involvement of external experts. The training must be attended by the Chair and the Chief Executive Officer of the Group, together with the managers of the holding company and the Chief Executive Officers of all the companies.

- Sanctions and disciplinary liability: Following independent and objective investigations, the Group applies strict disciplinary measures against anyone who violates anti-corruption rules, ensuring accountability and timely adoption of adequate measures. The sanctioning measures are envisaged in the Organisation, Management and Control Models pursuant to Italian Legislative Decree 231/2001, in particular in the section relating to the Disciplinary System (Company Disciplinary Code for employees; Sanctioning System for Directors; Sanctioning System for suppliers, sales partners and other external collaborators acting in the name and on behalf of the company).
- Reporting: In order to report on the results obtained, the Internal Audit and Personal Data Protection Department prepares an annual report in anonymous form on the functioning of the reporting management system. The report is sent to many interested parties, including: the Whistleblowing Committee first; the Board of Directors of the Parent Company DEH; the Board of Directors of the subsidiary concerned; the Supervisory Body of DEH and the Supervisory Body of the subsidiary object of the reports, for issues relating to the administrative liability of the company pursuant to Italian Legislative Decree 231/2001. For reports regarding corruption, the Group Corruption Prevention Manager is also notified.

Thanks to these measures, the company is committed to promoting a corporate culture based on integrity, legality and the prevention of corruption, strengthening its compliance system and the trust of all stakeholders.

G1-4 INCIDENTS OF CORRUPTION OR BRIBERY

During 2024, there were no cases of convictions or fines for violating anti-corruption and anti-bribery laws.

G1-5 POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

The Group does not carry out direct lobbying activities with government bodies or political decision-makers, but contributes to the institutional debate through the associations of which it is a member.

Through these channels, issues relevant to the Group's corporate strategy are pursued, such as the protection of companies in European and national regulatory contexts. The Group also actively participates in trade associations, technical committees and strategic working groups set up within them, both at national and European level: the Chairman and Chief Executive Officer also sit on the governing bodies of some of these associations in order to represent its interests with national and European institutions and to ensure specialist support for its organisational structures.

Furthermore, in line with the Group's Code of Ethics, the DEG does not make donations to political parties, candidates or election campaigns. Any form of contribution is prohibited by the Group's internal policy in order to ensure maximum transparency and independence and prevent conflicts of interest.

The Group maintains constant dialogue with national and local trade associations to promote petitions, in relation to the various businesses, which may contribute to improving the provision of its services to customers and users and contribute to enhancing its know-how. The DEG belongs to the following associations:

- PROXIGAS: the Group participates in the Association's Technical Commissions formed to explore the topics of importance for the gas sector, assessing the initiatives to be proposed at the association level;
- ELETTRICITÀ FUTURA: it unites the Italian industry of both conventional and renewable electricity, and is the main association of companies operating in the Italian electricity sector;
- UTILITALIA: the Federation that brings together all the companies operating in public services related to water, the environment, electrical energy and gas;
- AIGET: Italian Association of Energy Wholesalers and Traders that promotes competition and transparency in energy markets, encouraging the development and standardisation of primary and derivative energy products and related markets;
- Agici Finanza d'Impresa: research and consulting company specialised in the field of utilities, renewables, infrastructure and energy efficiency;
- AIAS: offers services dedicated to the safety, health and environment sectors;
- E-Innovation Committee: created to investigate the key issues of the transition, analyse, also through case studies, the sustainability of investments in innovative technologies, contextualise the technological options in the various production sectors, and accompany partner companies along the challenging path of the opportunities offered by the energy transition and climate change.

Moreover, the Dolomiti Energia Group also participates through the Parent Company and its subsidiaries in the following National Associations:

- AIRU: Associazione Italiana Riscaldamento Urbano - the Italian association for urban heating, of which DEH is a member;
- AEIT: Italian association of electrotechnics, electronics, automation, computer science and telecommunications, of which Hydro Dolomiti Energia S.r.l. (HDE) and SET Distribuzione S.p.A. (SET) are members;
- AIIA: Italian Association of Internal Audits, of which DEH is a member;
- APCE: Association for the protection of metal structures from electrolytic corrosion, of which Novareti S.p.A. (Novareti) is a member;
- UNICHIM: Association for the unification of the chemical industry sector, federated with UNI (the Italian standards body), of which DEH is a member;
- AITI: Trade association that brings together the treasury offices of the leading Italian companies, of which DEH is a member;

- CTI: Italian Thermotechnical Committee, a body affiliated to the UNI, conducts legislative and unifying activities in the various thermotechnical sectors and supplies its members with regulatory tools for developing the thermotechnical sector (of which Novareti is a member);
- CLUSTER ENERGIA: National Technological Energy Cluster (CTN), a trade association chaired by ENEA with the objective of searching for, developing and growing the next generation of innovative technologies, products and services for the energy sector, of which SET is a member;
- AISCA: Italian Association of Secretaries of the Board of Directors and for Corporate Governance, which aims to share and develop practices and knowledge relating to the role of the Secretary of the Board of Directors.

The Group also participates in the following local associations:

- ACOST: Association of Safety Coordinators for Trentino, of which SET is a member;
- APINDUSTRIA: Association of Small and Medium Enterprises of Verona, of which Dolomiti Energia S.p.A. (DE) is a member;
- CONFINDUSTRIA TRENTO: Sistema Confindustria and Associazione degli Industriali Trentini, part of the Sistema Confindustria, of which DEH and Dolomiti Energia Solutions S.r.l. (DES) are members;
- CONFCOMMERCIO TRENTO: Italian General Confederation of trading companies, of which DEH, DE, Dolomiti Energia Trading S.p.A. (DET), Novareti, and SET are members;
- ASSOENERGIA: Sistema Confindustria organisation that offers services linked to the world of energy, of which Novareti is a member;
- CFP VERONESI: Vocational training school;
- ACCADEMIA DEGLI AGIATI: Historical local cultural association.

Through these collaborations, the Group is committed to promoting public policies that promote sustainability, innovation and competitiveness in our sector, also in line with ESG objectives.

G1-6 PAYMENT PRACTICES

The standard payment conditions of DEG suppliers envisage 60 days from the invoice date at the end of the month, unless otherwise specified in the contract. The payment terms of raw material (gas and electricity) suppliers vary and depend on the contract stipulated with the supplier and the ARERA regulations.

ENTITY SPECIFIC INNOVATION AND DIGITALISATION

ESRS Entity Specific

IRO	Description	Time horizon	Associated material topic	Position in the value chain
Risk	Failure to adopt innovative digital solutions (e.g., AI) that streamline processes and provide a modern and stimulating work environment, with a consequent reduction in talent attraction and retention and lower operational efficiency	Short Medium	Innovation and digitalisation	*Own operations*
Opportunities	Adoption of research, development and innovation programmes - involving employees and third parties (e.g., universities, idea incubators, etc.) - with a consequent increase in corporate reputation and employee engagement	Short Medium	Innovation and digitalisation	*Own operations*

MDR-P POLICIES

With a view to increasing corporate reputation and employee engagement, the Dolomiti Energia Group (DEG) is committed to intercepting research, development and innovation programmes that involve employees and third parties.

In this regard, the company has developed a policy aimed at strengthening talent attraction and retention through strategic collaborations with universities, schools, research institutions and idea incubators. The goal is to create an ecosystem conducive to professional growth, innovation and integration into the world of work. This policy has supported compliance with third parties regulations and initiatives that regulate internships, apprenticeships and school-work programmes. The Human Resources Business Partner supervises the entire process and ensures alignment with the Group's strategic objectives.

More specifically, the company listens to the needs of students and recent graduates, guaranteeing opportunities for professional integration through internship and school-work programmes designed together with training institutions, in order to attract young talents with innovative skills. The attraction and retention policies are also designed considering the needs of the territory and local partners, contributing to the development of projects that support innovation and the improvement of employment opportunities in the areas where the Group is active.

The Group actively involves external stakeholders, such as local institutions, innovation incubators and other partner companies through collaboration and exchange meetings. During these meetings, information materials are provided so that students and recent graduates can understand the professional integration and development opportunities offered by the DEG.

The Group has constantly monitored the progress relating to the objective of attraction and retention of talents, verifying whether the performance is in line with the objectives initially planned. The trends have showed an increase in the number of internships and greater participation in school-work programmes compared to previous years. This positive trend suggests that the Group has managed to respond effectively to the needs of the labour market, improving the opportunities for young people to enter the professional world. At the same time, collaborations with local universities have led to a strengthening of relations with the territory, favouring the entry of local talent into the Group. The main tool for assessing progress was the feedback provided following the internship activities. This feedback provides valuable information on the experience of the participants and the effectiveness of the initiatives.

Additional policies are aimed at preventing the lack of innovative solutions in the working environment. This is the case with 'Technological Trends and Opportunities' and 'Obsolescence and Renewal', two policies included in the Group's digital agenda.

The 'Technological Trends and Opportunities' Policy has the general objective of introducing technological innovation of an infrastructural and application nature in order to improve the efficiency of existing operations and/or enable the creation of new business initiatives. Properly monitored, these innovations make the working environment more current and dynamic.

The 'Obsolescence and renewal' Policy prevents technological obsolescence through constant updating of technologies, whose life cycle is continuously reduced due to the rapidity of technological developments. Its monitoring intercepts applications or hardware close to the end of their life cycle in order to plan necessary interventions. The definition of these policies is aligned with the company mission for innovation and sustainability and considers the interests of employees (improving the quality of working life and satisfaction) and customers (improving operational continuity and quality of services). Both policies involve all Group companies and a large part of the company's businesses, with impacts on IT service suppliers and end-users. The Chief Information Officer (CIO) is responsible for implementing the policies on the digital agenda. The assumptions underlying the policies are the assumption that all applications migrated to the cloud contribute uniformly to increasing resilience and reducing energy consumption.

MDR-A ACTIONS

Appropriate actions have been implemented to support the policies described.

As for the adoption of innovative solutions and collaborations to encourage talent attraction and retention, the key actions concern, for example, stable collaboration with local institutions. The actions taken aim to enhance the company's attractiveness in the labour market and consolidate strategic relationships with the academic world and local institutions. The Group has strengthened its network, which involves local authorities, academic institutions and innovation incubators, promoting joint initiatives to facilitate matching labour supply and demand. Collaboration with universities and other educational institutions has encouraged the development of internships, apprenticeships and research programmes all over Italy. These programmes are approached proactively to ensure fairness, inclusion and well-being in the processes, which also apply to selection and first placement.

More specifically:

- In 2024, students from six different secondary schools (technical and other vocations) were hosted for school-work programme activities. The internship lasts three weeks and represents an important moment, as it allows young people to get in touch with the world of work and acquire concrete experience within the Group. For the latter, the school-work alternation makes it possible to increase the popularity of the brand with the public, starting from secondary school, strengthening its positioning and identifying potential talents to accompany in the training and professional path.

- There are also internship opportunities (with compensation for both curricular and extra-curricular participation), considered strategic for both students and the Group.
- In the form of a partnership with the ENAIP Villazzano training institute, a selection process was structured dedicated to Higher Education students. This programme is aimed at encouraging the inclusion of students in the Group's human resources. The programme envisages a first phase of the Group's presentation to students, with a focus on opportunities for enhancing their skills and professional growth. An initial selection interview is carried out to assess the aptitudes and interests of the students, and a first one-year internship at one of the Group companies. Post-apprenticeship feedback guides the students' training. During the second year, students participate in a structured assessment of their soft skills. At the end of the second year, there is a further final assessment. At the end of the experience, there is a possible interview with the HR Manager to finalise the inclusion of the student in the function for which there is a need in line with his or her profile. This initiative guarantees a progressive and structured selection and placement process, allowing students to acquire experience.
- Participation in recruiting events represents a fundamental action to strengthen the Group's visibility and attract young talent. In 2024, the Group took part in numerous events, such as the Career Days at the local universities of Trento, Bolzano, Verona and Bergamo. These events are fundamental to create direct connections with students and recent graduates, allowing them to get to know our Group and the opportunities offered. In addition, they allow the Group to intercept the best talent and build a pool of qualified candidates for future recruiting needs;
- The Group also promotes support for doctoral programmes within companies, which represent an important lever for the development of innovation and the growth of internal skills. Through collaborations with universities and academic institutions, PhD students are welcomed into Group companies and can apply theoretical knowledge to concrete and innovative projects. This initiative allows to foster contamination between academia and business, enhance the Group's innovative capacity, work on projects of strategic interest for the various businesses and create a pool of highly specialised talents.
- As regards research, a third-party project was launched with the Universities of Bolzano and Verona.

The activities are divided into several levels and not only allow the enhancement of the Group's attractiveness, but also support for the development of internal skills.

The progress to be made in this is both qualitative and quantitative. From a quantitative point of view, the Group aims to increase collaborations with academic and educational institutions, to intensify participation in recruiting events at both local and national level, and to increase the number of internships and scholarships offered. In terms of quality, the objective is to strengthen the Group's attractiveness, improving the overall recruiting and onboarding experience for both internships and recruitment.

Again with a view to innovation, the HR Department has launched a series of strategic initiatives to innovate and digitalise the processes dedicated to human resources through the Zucchetti portal. These initiatives were analysed in 2024, and will be concretely developed during 2025. They include the introduction of Business Process Management (BPM) for the management of key HR processes; the dematerialisation and digitalisation of archives; document management through the HR Communications form; the development of the Performance Management process and the Remuneration Policy (Salary review). The digitalisation and automation of HR processes mainly impacts human resources employees, but also offers significant benefits for the rest of employees. The objectives pursued include the improvement of efficiency, transparency and competitiveness.

To further strengthen digitalisation, the Group has also developed a report infrastructure update programme through the adoption of cloud-based solutions. Already in 2022, as many as 29 business applications were affected by the migration to the cloud; in 2023, 36 applications were affected. The advantages obtained are the reduction of serious service interruptions and the related recovery times, the improvement of operational continuity and employee satisfaction in the use of the new solutions. The actions taken in 2024 concerned the migration of 18 business applications to the public cloud (e.g., Azure) or SaaS. For the future, the goal is to complete the programme by 2026 and define the strategy for the following three-year period. The further results expected from this initiative include increasing infrastructure resilience and scalability, optimising the consumption of energy resources and the ability to introduce innovative technology.

In addition, there is a digital transformation programme in the main Group companies. The programme was launched in 2022 and envisaged a first release in 2023 for the update of the core applications of the company Dolomiti Ambiente S.r.l. (DA). Also in this case, following the intervention, the number of serious service interruptions decreased and employee satisfaction in the use of the new solutions improved. In 2024, the updating of the applications of Dolomiti Energia S.p.A. (DE) was completed, and by 2026 the completion of the programme for the companies SET Distribuzione S.p.A. (SET), Novareti S.p.A. (Novareti) and Dolomiti Energia Holding (DEH) is expected. The objectives pursued are the improvement of operational efficiency and the alignment of applications to new business needs, together with the improvement of the experience for customers and citizens and the proposition of innovative services.

In 2024, the updates also concerned the group's IT equipment assigned to employees (PCs), and work spaces (meeting rooms and video conferences), in order to achieve greater operational efficiency and improve the working environment. The programme was launched in 2021 with the replacement of 750 PCs; in 2022, the commitment continued with the replacement of 230 PCs and the provision of three meeting rooms with videoconferencing and integrated collaboration equipment. In 2023, 230 PCs were replaced. During 2024, 140 PCs were replaced, reaching a total of 1,350. In addition, a further 16 meeting rooms had videoconferencing equipment installed in 2024, definitively completing the programme. These activities also contributed to the reduction of service interruptions with regard to PCs; once again, employee satisfaction was improved.

Lastly, with an eye to the opportunities of technological innovation, the Group has experimented with Generative Artificial Intelligence (AI) solutions. In detail, during 2024 a sample of Group employees was enabled for a conversational Generative AI solution integrated with the office automation tools already in use. Two additional solutions are expected to be released in 2025 that integrate Generative AI to the company intranet and the ICT support tool, as well as the definition of a Group strategy regarding Generative AI. In fact, the actions planned to date end in 2025, but the new group AI strategy will define a broader programme. The introduction of innovative solutions based on AI will make daily operations more efficient and make the work environment even more modern and stimulating.

MDR-T TARGETS

To date (31/12/24), the Group is working on the definition of the new Business Plan that will reach 2030 and which will be integrated with the ESG Strategy presented in section SBM 3. Therefore, in this consolidated sustainability no objective targets are stated and measurable relative to the IROs discussed in this chapter. In any case, the Group constantly monitors the effectiveness of the policies and actions described in the chapter.

MDR-M METRICS

The metrics relating to Entity Specific Innovation and Digitalisation are shown below.

INNOVATION AND SUSTAINABILITY IN THE SUPPLY CHAIN

In this section, the Group presents the non-ESRS Entity-Specific metrics relating to innovation, with a particular focus on supply chain sustainability.

The Group is strongly committed to supporting the local economy, favouring suppliers located in the territory of the Province of Trento for the activities carried out in Trentino-Alto Adige in 2024. The following table illustrates the expenditure concentrated on these local suppliers, considered strategic for the most significant operating sites:

Proportion of spending on local suppliers in relation to the most significant operating sites

		Value
Total spending on local suppliers in relation to the most significant operating sites	€	1.967.107.000
Proportion of spending on local suppliers in relation to the most significant operating sites	%	59,9

At the same time, the Group pays great attention to environmental sustainability in the selection of new suppliers. The following table shows the data relating to the suppliers selected in 2024 according to environmental sustainability criteria:

New suppliers selected according to environmental sustainability criteria

		Value
New suppliers selected according to environmental sustainability criteria	no.	503
	%	57

As evidence of the Group's commitment to ethical and transparent commercial practices, 100% of supply contracts include clauses relating to compliance with the Code of Ethics and/or the Anti-Corruption Code.

DIGITALISATION

To support innovation and efficiency in ordinary activities, the Group has invested in the implementation of Generative Artificial Intelligence solutions, with 300 active Copilot licences and personnel authorised to use them.

Tel: +39 045 47.50.019
www.bdo.it

Via Roveggia, 126
37136 Verona

Independent auditors' limited assurance report on the consolidated sustainability statement pursuant to article 14-bis of Legislative Decree no. 39 of 27 January 2010

To the Shareholders of
Dolomiti Energia Holding S.p.A.

Conclusion

Pursuant to article 8 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 Dolomiti Energia Group (the "Group") prepared in accordance with article 4 of the Decree, presented in the specific section of the report on operations.

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 "Disclosure pursuant to article 8 of Regulation (EU) 2020/852 Taxonomy" section required by article 8 of Regulation (EU) 2020/852 of 18 June 2020 (the "taxonomy regulation") of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of 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 a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. 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.

Bari, Bologna, Brescia, Cagliari, Firenze, Genova, Milano, Napoli, Padova, Roma, Torino, Verona

BDO Italia S.p.A. – Sede Legale: Viale Abruzzi, 94 – 20131 Milano – Capitale Sociale Euro 1.000.000 i.v.
Codice Fiscale, Partita IVA e Registro Imprese di Milano n. 07722780967 - R.E.A. Milano 1977842
Iscritta al Registro dei Revisori Legali al n. 167911 con D.M. del 15/03/2013 G.U. n. 26 del 02/04/2013
BDO Italia S.p.A., società per azioni italiana, è membro di BDO International Limited, società di diritto inglese (company limited by guarantee), e fa parte della rete internazionale BDO, network di società indipendenti.

Other matters

In the specific section "Disclosure pursuant to article 8 of Regulation (EU) 2020/852 Taxonomy" in accordance with article 8 of the taxonomy regulation, the 2024 consolidated sustainability statement presents the 2023 comparative information required by article 8 of the taxonomy regulation, which has not been subjected to an assurance engagement.

Responsibilities of the Directors and the Board of statutory auditors of Dolomiti Energia Holding 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 "Impact, risk and opportunity management – IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities" 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 "Disclosure pursuant to Taxonomy Regulation (EU) 2020/852" section 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

As discussed in section "ESRS 2 – General Disclosures - BP-2 Disclosures in relation to specific circumstances", 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. Actual results are likely to be different from the forecast sustainability information since anticipated events frequently do not occur as expected and the variation could be material.

As discussed in section "ESRS 2 – General Disclosures - BP-2 Disclosures in relation to specific circumstances" and in section "E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions", 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 error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error 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 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 error;
- 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 error, 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 conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves carrying out procedures to obtain evidence as a basis for our conclusion.

The procedures performed are based on our professional judgement and include inquiries, primarily of the Dolomiti Energia Holding S.p.A.'s personnel responsible for the preparation of the information presented in the consolidated sustainability statement, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

We have performed the following main procedures:

- we gained an understanding of the Group's business model, strategies and operating environment with regard to sustainability matters;
- we gained an understanding of the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the consolidated sustainability statement;
- we gained an understanding of the process adopted by the Group to identify and assess material sustainability-related impacts, risks and opportunities, based on the double materiality principle;
- we identified disclosures where a material misstatement was likely to occur;
- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement;
- we gained an understanding of the process adopted by the Group to determine taxonomy-eligible activities and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the consolidated sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or the accounting management figures;

- we checked the structure and presentation of disclosures included in consolidated sustainability statement in accordance with the ESRS;
- pursuant to article 9-bis, paragraph 8-ter, of Legislative Decree no. 39 of 27 January 2010, exchange with the external auditor in charge of the audit of the Group's consolidated financial statement of any information pertaining to the verification of the elements of connection of the consolidated sustainability statement with the financial statements, necessary for the performance of our engagement;
- we obtained the representation letter.

Verona, April 14, 2025

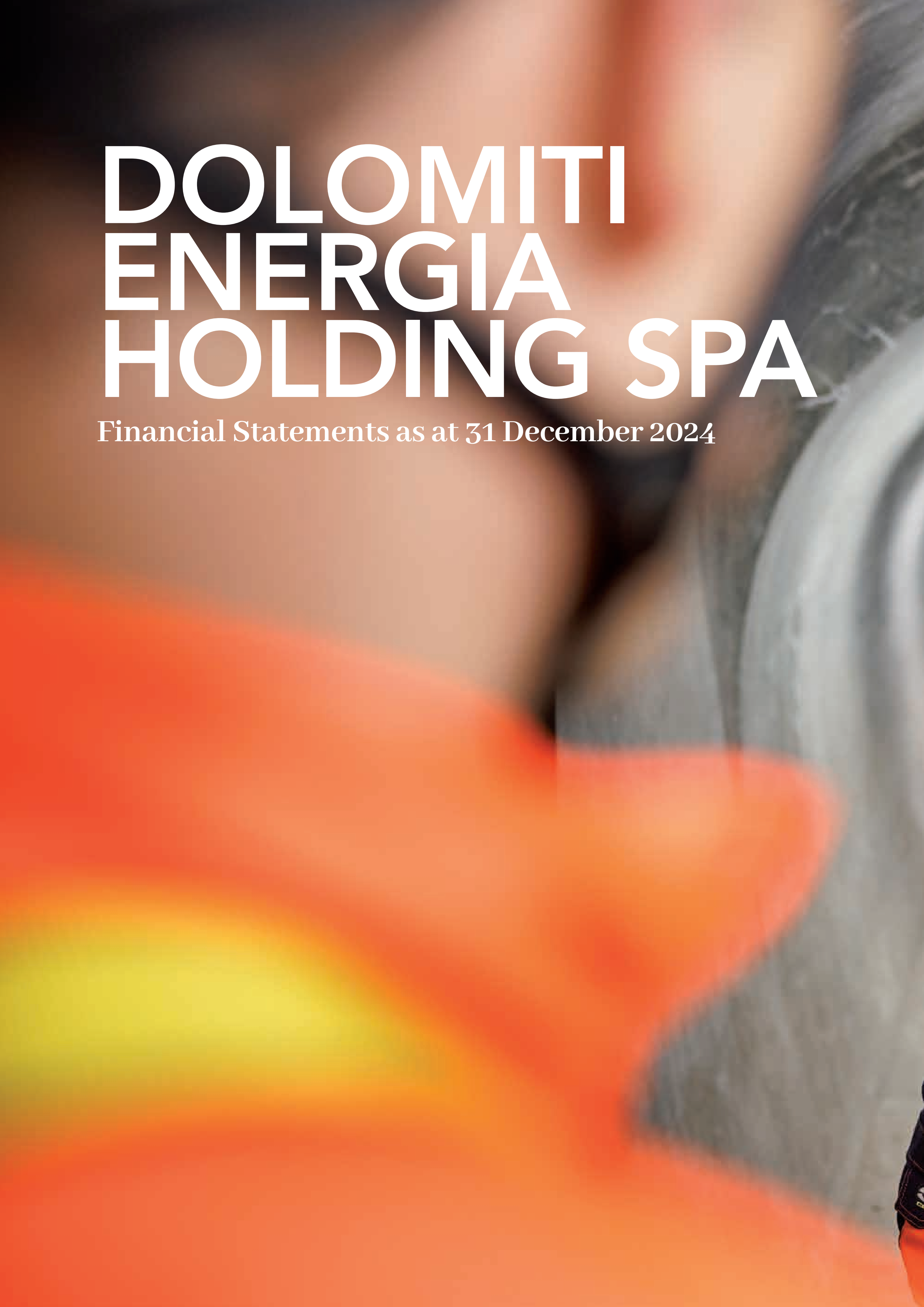
BDO Italia S.p.A.

Signed in the original by

Carlo Boyancé
Partner

DOLOMITI ENERGIA HOLDING SPA

Financial Statements as at 31 December 2024



Statement of Financial Position

(figures in Euro)

Assets	Notes	AS AT 31 DECEMBER 2024	2023
NON-CURRENT ASSETS			
Rights of use	8.1	1,777,591	1,797,562
Intangible assets	8.2	23,078,688	18,597,715
Property, plant and equipment	8.3	46,971,318	43,309,277
Equity investments	8.4	1,267,193,502	852,691,549
Non-current financial assets	8.5	11,089,044	11,438,923
Deferred tax assets	8.6	6,056,847	5,817,289
Other non-current assets	8.7	1,217,206	2,252,843
TOTAL NON-CURRENT ASSETS		**1,357,384,196**	**935,905,158**
Current assets			
Inventories	8.8	-	5,288
Trade receivables	8.9	12,221,171	10,641,928
Current financial assets	8.11	156,858,017	252,121,858
Other current assets	8.12	83,475,474	41,451,221
Cash	8.13	134,783,398	27,764,286
TOTAL CURRENT ASSETS		**387,338,061**	**331,984,582**
TOTAL ASSETS		**1,744,722,257**	**1,267,889,740**
Shareholders' Equity			
Share capital	8.14	411,496,169	411,496,169
Reserves	8.14	142,186,302	160,727,504
Reserve - IAS 19	8.14	(83,483)	(133,208)
Net profit/(loss) for the year	8.14	71,961,850	28,639,602
TOTAL SHAREHOLDERS' EQUITY		**625,560,838**	**600,730,067**
Liabilities			
Non-current liabilities			
Provisions for non-current risks and charges	8.15	487,003	68,334
Employee benefits	8.16	2,276,497	2,339,073
Deferred tax liabilities	8.6	703,081	1,089,004
Non-current financial liabilities	8.17	159,043,486	171,252,680
Other non-current liabilities	8.18	787,132	107,191
TOTAL NON-CURRENT LIABILITIES		**163,297,200**	**174,856,282**
Current liabilities			
Provisions for current risks and charges	8.15	1,766,484	1,183,910
Trade payables	8.19	18,078,309	11,951,037
Current financial liabilities	8.17	850,161,607	429,171,811
Income tax payables	8.10	69,704,079	41,040,572
Other current liabilities	8.18	16,153,741	8,956,061
TOTAL CURRENT LIABILITIES		**955,864,219**	**492,303,391**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,744,722,257**	**1,267,889,740**

Comprehensive Income Statement

(figures in Euro)

	Notes	AS AT 31 DECEMBER 2024	2023
Revenue	9.1	15,118,446	11,066,013
Other revenue and income	9.2	36,393,911	32,643,762
TOTAL REVENUE AND OTHER INCOME		**51,512,357**	**43,709,775**
Raw materials, consumables and merchandise	9.3	(1,621,290)	(2,250,985)
Service costs	9.4	(31,945,595)	(27,683,625)
Personnel costs	9.5	(19,055,373)	(16,051,827)
Amortisation, depreciation, allocations, write-downs and net write-backs (write-downs) of receivables	9.6	(10,674,918)	(10,952,477)
Other operating costs	9.7	(1,675,957)	(1,694,624)
TOTAL COSTS		**(64,973,133)**	**(58,633,538)**
Gains and expenses from equity investments	9.8	89,619,837	44,318,134
OPERATING RESULT		**76,159,061**	**29,394,371**
Financial income	9.9	14,468,191	18,208,825
Financial charges	9.9	(22,434,214)	(21,675,517)
PROFIT BEFORE TAX		**68,193,038**	**25,927,680**
Taxes	9.10	3,768,812	2,711,923
PROFIT/(LOSS) FOR THE YEAR (A)		**71,961,850**	**28,639,602**
COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT			
Actuarial profit/(loss) for employee benefits		64,765	172,475
Tax effect on actuarial profit/(loss) for employee benefits		(15,040)	7,573
TOTAL COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT (B1)		**49,725**	**180,048**
COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT MIGHT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT			
Profit/(loss) on cash flow hedge instruments		(1,349,879)	(3,196,432)
Tax effect on change in fair value in cash flow hedge derivatives		384,230	909,832
TOTAL COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT MIGHT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT (B2)		**(965,649)**	**(2,286,600)**
TOTAL OTHER COMPREHENSIVE PROFIT (LOSS), NET OF TAX EFFECT (B) = (B1)+(B2)		**(915,924)**	**(2,106,553)**
TOTAL AGGREGATE RESULT FOR THE YEAR (A)+(B)		**71,045,927**	**26,533,050**

Cash Flow Statement

(in thousands of Euro)

	Notes	AS AT 31 DECEMBER 2024	2023
PROFIT/(LOSS) FOR THE YEAR		**71,962**	**28,640**
ADJUSTMENTS FOR:			
Amortisation/depreciation of:			
- rights of use	9.6	575	515
- intangible assets	9.6	7,432	6,466
- property, plant and equipment	9.6	2,643	2,802
Write-downs of assets	8.5	26	1,170
Allocations to/(absorptions from) provisions for risks and charges	8.16; 8.17	2,833	(56)
(Gains)/expenses from equity investments	9.8	(89,620)	(44,318)
Financial (income)/charges	9.9	7,966	3,467
(Capital gains)/Capital losses from sale of property, plant and equipment		(2)	4
Other non-monetary elements	9.5	(68)	(79)
Income taxes	9.10	(3,769)	(2,712)
Cash flow from operations before changes in net working capital		*(23)*	*(4,101)*
CHANGES IN NET WORKING CAPITAL:			
(Increase)/Decrease in inventories	8.8	5	0,00
(Increase)/Decrease in trade receivables	8.9	(1,579)	1,219
(Increase)/Decrease in other assets	8.12	(4,713)	26,155
Increase/(Decrease) in trade payables	8.20	6,127	(2,549)
Increase/(Decrease) in other liabilities	8.19	115,012	(2,796)
Dividends collected	9.8	92,635	44,795
Interest and other financial income collected	9.9	15,998	19,566
Interest and other financial expenses paid	9.9	(22,515)	(19,232)
Utilisation of provisions for risks and charges	8.16; 8.17	(1,844)	(793)
Income taxes paid		(109,612)	(15,860)
CASH FLOWS FROM OPERATIONS (A)		**89,491**	**46,404**
Net investments in intangible assets	8.2	(11,938)	(8,704)
Net investments in property, plant and equipment	8.3	(6,303)	(1,969)
Net investments in equity investments	8.4	(417,517)	(30,556)
(Increase)/decrease in other investment activities	8.11	92,734	189,054
CASH FLOWS FROM INVESTMENT ACTIVITIES (B)		**(343,024)**	**147,825**
Financial payables (new issues of long-term loans)	8.18	-	(350,000)
Financial payables (reimbursements and other net changes)	8.18	406,767	190,143
Dividends paid		(46,215)	(23,108)
CASH FLOWS FROM FINANCING ACTIVITIES (C)		**360,552**	**(182,965)**
Increase/(decrease) in cash and cash equivalents (a+b+c+d)		107,019	11,263
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**27,764**	**16,502**
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**134,783**	**27,764**

Statement of changes in Shareholders' Equity

(in thousands of Euro)

	Share capital	Legal reserve	Share premium reserve	Treasury shares reserve	Other reserves and retained earnings	Net profit/(loss) for the year	Total Shareholders' Equity
BALANCE AS AT 1 JANUARY 2023	411,496	39,656	994	(53,515)	150,337	48,337	597,305
TRANSACTIONS WITH SHAREHOLDERS:							
Dividend distribution	-	-	-	-	-	(23,108)	(23,108)
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**-**	**-**	**-**	**-**	**-**	**(23,108)**	**(23,108)**
ALLOCATION TO RESERVES OF PROFIT/(LOSS) FOR THE YEAR	**-**	**2,417**	**-**	**-**	**22,812**	**(25,229)**	**-**
AGGREGATE RESULT FOR THE YEAR:							
Net profit (loss)	-	-	-	-	-	28,640	28,640
Other comprehensive profit (loss), net of tax effect	-	-	-	-	(2,107)	-	(2,107)
TOTAL AGGREGATE RESULT FOR THE YEAR	**-**	**-**	**-**	**-**	**(2,107)**	**28,640**	**26,533**
BALANCE AS AT 31 DECEMBER 2023	411,496	42,073	994	(53,515)	171,042	28,640	600,730
TRANSACTIONS WITH SHAREHOLDERS:							
Dividend distribution	-	-	-	-	(19,007)	(27,208)	(46,215)
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**-**	**-**	**-**	**-**	**(19,007)**	**(27,208)**	**(46,215)**
ALLOCATION TO RESERVES OF PROFIT/(LOSS) FOR THE YEAR	-	1,432	-	-		(1,432)	-
AGGREGATE RESULT FOR THE YEAR:							
Net profit (loss)	-	-	-	-	-	71,962	71,962
Other comprehensive profit (loss), net of tax effect	-	-	-	-	(916)	-	(916)
TOTAL AGGREGATE RESULT FOR THE YEAR	**-**	**-**	**-**	**-**	**(916)**	**71,962**	**71,046**
BALANCE AS AT 31 DECEMBER 2024	411,496	43,505	994	(53,515)	151,119	71,962	625,561

EXPLANATORY NOTES

1. GENERAL INFORMATION

Dolomiti Energia Holding S.p.A. (the **"Company"** of **"DEH"**) mainly operates in the management of equity investments and, in a marginal way, in the production of energy from hydroelectric sources.
Dolomiti Energia Holding S.p.A. is a company established and domiciled in Italy and organised according to legislation of the Italian Republic, with registered office in Rovereto, via Alessandro Manzoni 24. As at 31 December 2024, the Company's share capital was held by:

Shareholder	No. of Shares	%
PUBLIC ENTITIES		
FINDOLOMITI ENERGIA Srl	199,612,381	48.51%
TRENTO MUNICIPAL ADMINISTRATION	24,315,908	5.91%
ROVERETO MUNICIPAL ADMINISTRATION	17,852,031	4.34%
MORI MUNICIPAL ADMINISTRATION	5,060,563	1.23%
ALA MUNICIPAL ADMINISTRATION	3,852,530	0.94%
BIM ADIGE	3,373,989	0.82%
BIM SARCA-MINCIO-GARDA	3,322,260	0.81%
OTHER PUBLIC AUTHORITIES	5,290,357	1.29%
UTILITIES		
AMAMBIENTE S.p.A.	12,630,771	3.07%
AIR AZIENDA INTERCOMUNALE ROTALIANA S.p.A.	4,085,912	0.99%
CEDIS CONSORZIO ELETTRICO DI STORO Scarl	2,783,799	0.68%
PRIMIERO ENERGIA	2,430,900	0.59%
CEIS CONSORZIO ELETTRICO INDUSTRIALE DI STENICO S.c.	2,322,983	0.56%
CEPF POZZA DI FASSA	944,716	0.23%
ACSM AZIENDA CONSORZIALE SERVIZI MUNICIPALIZZATI S.p.A.	823,006	0.20%
AZ. SERV. MUNIC. - TIONE DI TRENTO	14,850	0.00%
PRIVATE ENTITIES		
FT ENERGIA S.p.A.	28,727,315	6.98%
FONDAZIONE CASSA DI RISPARMIO DI TRENTO E ROVERETO	22,218,753	5.40%
EQUITIX ITALIA HOLDCO 1 SRL	20,574,809	5.00%
I.S.A. - IST. ATESINO DI SVILUPPO S.p.A.	17,442,965	4.24%
ENERCOOP S.r.l.	7,417,550	1.80%
ERMINIA MONTAGNA	27,540	0.01%
ELETTROMETALLURGICA TRENTINA Srl	203	0.00%
LUCIANA POMARA	203	0.00%
PUBLIC ENTITIES	**262,680,019**	**63.84%**
PRIVATE ENTITIES	**96,409,338**	**23.43%**
UTILITIES	**26,036,937**	**6.33%**
TREASURY SHARES	**26,369,875**	**6.41%**
TOTAL	**411,496,169**	**100%**

2. SUMMARY OF THE ACCOUNTING STANDARDS ADOPTED

The main accounting standards and criteria adopted in preparing and drawing up the Company's financial statements (the **"Financial Statements"**) are reported hereunder. The main accounting standards were applied consistently for all financial years disclosed herein.

2.1 PREPARATION BASIS

The European Regulation (EC) No. 1606/2002 of 19 July 2002, introduced the obligation to apply the International Financial Reporting Standards ("IFRS"), issued by the *International Accounting Standards Board* ("IASB"), as endorsed by the European Union ("EU IFRS" or "International Accounting Standards"), as from accounting periods beginning in 2005, for the preparation of financial statements of companies with shares and/or bonds listed in one of the regulated markets of the European Community. Following the above-mentioned European Regulation, on 28 February 2005 the Italian Legislative Decree No. 38 was issued, then amended by Italian Decree Law No. 91 of 24 June 2014, which also governed the possible adoption of International Accounting Standards by unlisted companies for the drawing up of their financial statements.

The Company elected to adopt the above-mentioned option for the drafting of its financial statements as at 31 December 2016, by identifying the day 1 January 2015 as transition date to IFRS (**"Transition Date"**). Additionally, on 14 July 2017, the Company finalised the listing transactions on the Irish Stock Exchange of a previously existing bond loan for a residual nominal amount of 5 million euro, taking on the classification as a Public Interest Entity (PIE) and therefore with the obligation to draw up its own financial statements in accordance with the EU IFRS standards.

The 2024 Financial Statements were drawn up in compliance with EU IFRS standards in force at their approval date. It should be noted that the wording EU IFRS means all *"International Financial Reporting Standards"*, all *"International Accounting Standards"* (IAS), as well as all interpretations of *"International Reporting Interpretations Committee"* (IFRIC), previously called *"Standing Interpretation Committee"* (SIC) which, at the date of approval of the Financial Statements had been endorsed by the European Union according to the procedure envisaged by Regulation (EC) No. 1606/2002, approved by the European Parliament and the European Council on 19 July 2002.

The Financial Statements were drafted on a going concern basis and based on the conventional criterion of historical cost, except for some accounting items that were recognised at *fair value*, pursuant to provisions set out in the International Accounting Standards.

These Financial Statements were drawn up based on the best knowledge of EU IFRS standards and taking account of the best knowledge on the matters. Any future guidelines and interpretation updates will be reflected in the following years, according to the modalities envisaged from time to time by reference accounting standards.

These draft Financial Statements were approved by the Company's Board of Directors on 27 March 2025.

2.2. FORM AND CONTENT OF ACCOUNTS

As regards the form and content of the statements, the Company elected the following:

i) the Statement of Financial Position discloses current and non-current assets, separately and, similarly, current and non-current liabilities;

ii) the Comprehensive Income Statement includes the profit or loss for the year, as well as changes in Shareholders' Equity related to financial items that, as expressly envisaged by the International Accounting Standards, are recognised in the Shareholders' Equity components;

iii) the Cash Flow Statement is disclosed according to the indirect method.

The formats used, as described above, are those that better describe the equity and financial position, as well as the economic result of the Company.

These financial statements were drawn up in Euro, functional currency of the Company. The figures reported in the statements, as well as in the tables included in the Explanatory Notes, are expressed in thousands of Euro, unless otherwise indicated.

The Financial Statements are audited by the Independent Auditors PricewaterhouseCoopers S.p.A.

2.3 RELATIONS WITH SUBSIDIARIES

With reference to service agreements signed with certain Group companies, note that:

a) a cash pooling agreement was signed between Dolomiti Energia Holding S.p.A. and a number of subsidiaries for centralised cash and supplier payments management (Cash Pooling);

b) the Company benefited from the regulations envisaged by Article 73, last paragraph, of the Italian Presidential Decree 633/72 (Group VAT) for VAT payments;

c) the Company opted for the national tax consolidation with regard to direct taxes.

2.4 MEASUREMENT CRITERIA

RIGHTS OF USE (LEASES)

The Company holds tangible assets used in carrying out its business activities, through long-term rental contracts. At the contract start date, it is determined whether the contract is or contains a lease. The definition of a lease under IFRS 16 is applied when the contract transfers the right to control the use of an underlying asset for a period of time in exchange for consideration. The Company recognises an asset consisting of the right to use the underlying asset and a lease liability on the effective date of the contract (i.e. the date on which the underlying asset is available for use). The asset consisting of the right of use represents the lessee's right to use the underlying asset for the duration of the lease and its initial measurement corresponds to the lease liability, initially measured at the present value of the payments due under the contract, to be paid over its term. In calculating the present value of the payments due, the lessee's marginal borrowing rate at the effective date of the lease is used. After the effective date, the lease liability is measured at amortised cost using the effective interest rate method and restated as certain events occur. The Company applies the exception to the recognition of short-term leases to its contracts with a duration of 12 months or less from the effective date; it also applies the exception to the recognition of leases in which the underlying asset is of "low value" and the amount of which is estimated as not significant. Payments due on short-term leases and those where the underlying asset is of low value are recognised as an expense on a straight-line basis over the term of the contract. In accordance with the provisions of the standard, the Company separately reports interest expense on lease liabilities and portions of depreciation for assets consisting of the right of use.

INTANGIBLE ASSETS

Concessions and other intangible assets include non-monetary elements and are identifiable assets lacking physical substance, controlled by the company and able to produce future economic benefits. Concessions and other intangible assets are recognised at purchase and/or production cost, including directly attributable expenses incurred to prepare the asset for use, net of accumulated amortisation and possible impairment losses.

Other intangible assets are amortised from the time at which the asset becomes available for use. Their amortisation is apportioned systematically in relation to the residual possible use, i.e. based on their estimated useful life.

The useful life estimated by the Company for concessions and other intangible assets is as follows:

	Term/Rate %
Concessions	20 years
Patent and software rights	20%

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at purchase or production cost, less accumulated depreciation and any impairment loss. The cost includes charges that are directly incurred to permit their use, as well as any possible costs of disassembly and removal that will be borne pursuant to contract obligations requiring to reinstate the original conditions of the asset.

Financial charges, directly attributable to the acquisition, construction and production of an asset, which justify a capitalisation pursuant to IAS 23, will be capitalised on the asset itself as part of its cost.

Charges borne for ordinary and/or cyclical maintenance and repairs are directly charged to income statement, when incurred. The capitalisation of costs related to the expansion, modernisation or improvement of the structural elements whether owned or leased is made within the limits established to be separately classified as assets or part of an asset.

Improvements on third-party assets include costs borne for the set up and modernisation of real estates that are not owned.

Assets are depreciated on a straight-line basis, with rates that allow for depreciation of assets until the end of their useful life.

The useful life estimated by the Company for each single category of property, plant and equipment is as follows:

	% rate
ELECTRICITY	
hydroelectric power plants	2.0%
thermal power plants	2.5%
hydroelectric fittings	8.3%
photovoltaic plants	5.0%
OTHER	
office buildings	3.3%
motor vehicles	12.5%
electronic machines	16.7%

With regard to property, plant and equipment acquired from the merger of SIT S.p.A. and A.S.M. S.p.A. on 16 December 2002, the accounting treatment is as follows:

Assets from A.S.M. S.p.A., acquired prior to 31 December 1997
Assets acquired prior to the above date are depreciated over their average residual useful life, as indicated in the sworn expert report obtained for the transformation of ASM from a Municipal company into a public limited company.

Assets from SIT S.p.A. acquired prior to 31 December 1997
Assets acquired prior to 31 December 1997 are depreciated over their average residual useful life, as indicated in the sworn expert report obtained for the transfer of SIT shares to Dolomiti Energia (now Dolomiti Energia Holding SpA).

Assets acquired after 31 December 1997
Assets acquired after 31 December 1997 are depreciated according to their useful life, as indicated in the sworn expert report obtained for the transformation of ASM from a Municipal company into a public limited company.

Revaluation of assets as at 01 January 2003 as a result of the merger
The capital gain of 44,276,481 euro emerging from assessment of the extraordinary transaction for the merger by absorption of SIT and ASM into Dolomiti Energia (now Dolomiti Energia Holding SpA), confirmed by the expert appointed by the Court President, was allocated as described below:

- 8,107,734 euro to Dolomiti Energia S.p.A. (now Dolomiti Energia Holding SpA) assets

  - land 5,907,256 euro

  - new office building 2,200,478 euro

- 36,168,747 euro on the assets of the water and gas cycle contributed to Dolomiti Reti S.p.A. (now Novareti SpA).

These capital gains were amortised according to the average residual lives of individual asset classes as defined by the expert report obtained to determine the merger share swaps.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date of the financial statements, the non-financial assets are tested for impairment. When events occur that indicate impairment of non-financial assets, their recoverability is assessed by comparing the book value with the related recoverable value, represented by the fair value, less disposal charges, and the value in use, whichever higher. The value in use is determined by discounting the expected cash flows resulting from the use of the assets and, if significant and reasonably determined, from their disposal at the end of their useful life, net of disposal charges. Expected cash flows are determined based on reasonable assumptions that can be demonstrated and represent the best estimate of future economic conditions that will occur in the residual useful life of the asset, giving greater importance to external indications. Expected cash flows, used to determine the value in use, are based on the latest business plan, approved by the management and including forecasts on revenue, operating costs and investments. As regards assets that do not generate widely independent cash flows, the recoverable value is determined in relation to the *Cash Generating Unit* (i.e. the smallest independent CGU resulting from the continuous use), to which they belong. Discounting is carried out at a rate that reflects current market measurements of the time value of money and the specific risks of the asset, which are not already included in the cash flow estimates. In particular, the discount rate used is the *Weighted Average Cost of Capital* (WACC). The value in use is determined net of the tax effect, as this method produces values that are substantially equivalent to those that can be obtained by discounting the cash flows, including taxes at a discount rate before taxes resulting from the post-tax measurement. The measurement is performed by each single asset or by *Cash Generating Unit*. When the reasons for impairment no longer exist, the value of assets is recovered and the adjustment is recognised in the income statement as write-up (value write-back). The write-back is carried out at the lower between recoverable value and book value, inclusive of prior write-downs and less amortisation instalments that would have been allocated if the asset were not impaired.

EQUITY INVESTMENTS

Equity investments in subsidiaries, associates and joint ventures are recognised at purchase or formation cost.

Should impairment indicators occur, the recoverability of the book value is assessed by comparing the book value with the value in use, calculated by discounting prospective cash flows of the equity investments and, whenever possible, the hypothetic sales value, determined based on recent transactions or market multiples, whichever higher.

The portion of losses exceeding the book value is recorded in a specific liability fund to the extent that the Company considers that there are legal or implicit obligations to cover losses and in any case within the limits of the book shareholders' equity. If the subsequent performance of the investee subject to write-down shows such an improvement that the reasons for the write-downs no longer apply, the investments are revalued within the limits of the write-downs recorded in previous years.

Dividends from equity investments are recognised in the income statement when shareholders are entitled to receive the payment.

TRADE RECEIVABLES AND OTHER CURRENT AND NON-CURRENT ASSETS

Trade receivables and other current and non-current assets include financial instruments, mainly related to receivables from customers, not resulting and not listed on any active market, from which fixed or determinable payments are expected. Trade receivables and other receivables are classified in the shareholders' equity, under current assets, except for those with a contract expiry term after twelve months from the reporting date of the financial statements, which are classified under non-current assets.

These financial assets are recognised under assets when the Company becomes a party in the contracts related therewith, and are derecognised from assets, when the right to receive cash flows is transferred together with all risks and benefits associated to the transferred asset.

Trade receivables and other current and non-current assets are originally recorded at their fair value and then at amortised cost, by using the effective interest rate, less impairment losses.

Impairment losses in receivables are recognised in the income statement when there is objective evidence that the Company will not be able to recover the receivables based on contract terms.

The value of trade receivables is shown in the financial statements net of the relevant provisions for write-downs, which is determined on the basis of risk situations in order to align the amount value of receivables to their estimated realisable value.

NON-DERIVATIVE FINANCIAL ASSETS

Non-derivative financial assets are distinguished by fixed or calculable payments not listed in an active market, for which the Company's objective is to achieve the contractual cash flows represented by payment of the principal and interest. These financial assets are stated under current assets if their maturity term is within 12 months; otherwise, they are stated under non-current assets.

Financial assets are recognised initially at fair value, inclusive of ancillary costs related to the transaction. After the initial recognition, financial assets are measured at amortised cost, based on the effective interest rate method and tested for impairment.

At each reporting date, the Company assesses whether there is objective evidence that a financial asset or a group of financial assets are being impaired. A financial asset or a group of financial assets is impaired or should be written-down if and only if there is objective evidence of impairment, resulting from events following the first accounting of assets and that the impairment loss has an impact on future cash flows that can be reliably estimated. The objective evidence of impairment of assets can result from the following circumstances:

i) significant financial difficulties of the debtor;

ii) contract breaches, as non-payment of interest or principal;

iii) the creditor, for economic or legal reasons connected with the financial difficulties of the debtor, grants the debtor facilities that would not be considered in other cases;

iv) it is probable that the debtor be bankrupt or be subject to a composition procedure with creditors; or

v) the active market of financial assets no longer exists.

INVENTORIES

Inventories of raw, ancillary and consumable materials and merchandise are measured at the lower between average weighted cost and market value at the financial statement date. The average weighted cost is determined by reference period in relation to each inventory code. The average weighted cost includes the direct costs of labour and materials as well as (variable and fixed) indirect costs. Inventories are constantly monitored and, when necessary, obsolete materials are written-down and charged to the Income Statement.

FINANCIAL DERIVATIVES

All derivative financial instruments (including embedded derivatives) are measured at fair value.

Derivative instruments can be accounted for using the *hedge-accounting* approach only when:

- at inception of the hedging, the hedging relationship is formally defined and documented;
- hedging is assumed to be highly effective;
- effectiveness can be reliably measured;
- the hedge itself can be highly effective during the various accounting periods for which it is designated.

When derivative instruments qualify for hedge accounting, the following accounting treatment is applied:

i) *Fair value hedge* – if a financial derivative is designated as a hedge for exposure to the changes in the current value of a recognised asset or liability, the change in fair value of the hedging derivative is recognised in the income statement, consistently with the fair value measurement of hedged assets and liabilities.

ii) *Cash flow hedge* – if a financial derivative is designated as a hedge for exposure to the variability of cash flows of an asset or liability, or of an expected, highly probable transaction that may affect the income statement, the effective portion of profit or losses on the financial instrument is recognised in the Shareholders' Equity. The cumulated profit or loss is written-off from the Shareholders' Equity and recognised in the income statement in the same period when the hedged transaction is recognised. The profit or loss related to a hedge or to any ineffective portion is recognised in the income statement, when the ineffective portion is recognised.
When the conditions for hedge accounting are not present, changes in fair value of the derivative are charged to the income statement.

DETERMINATION OF *FAIR VALUE* OF FINANCIAL INSTRUMENTS

Fair value of financial instruments listed on an active market is based on market prices at the reporting date. Fair value of financial instruments unlisted on an active market is instead determined by using valuation techniques based on methods and assumptions linked to market conditions at the reporting date.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, bank current accounts and deposits repayable on demand and other short-term financial investments with high liquidity that are readily convertible into cash, or can be transformed in cash within 90 days from the original acquisition, and are subject to an insignificant risk regarding their change in value.

TREASURY SHARES

The repurchase of treasury shares, as instruments representing the transferred capital, are deducted from equity. No profit or loss is recognised in the comprehensive income statement upon purchase, sale, issue or derecognition of equity instruments of an entity. The consideration paid or received is recognised directly to shareholders' equity.

The amount of treasury shares owned is disclosed separate in the explanatory notes, pursuant to provisions set out by IAS 1 – Presentation of Financial Statements. An entity discloses supplementary information, pursuant to IAS 24 – Related Party Disclosures, if the entity repurchases its equity instruments from related parties.

FINANCIAL LIABILITIES, TRADE AND OTHER PAYABLES

Financial liabilities (excluding derivative instruments), trade payables and other payables are initially recorded at fair value, less directly attributable ancillary costs, and they are then measured at amortised cost, by applying the effective interest rate method. If a determined change in estimated cash flows occurs, the value of liabilities is recalculated to reflect this change, based on the actual value of the expected new cash flows and the internal yield rate that has been initially determined.

Financial liabilities are classified under current liabilities, except in the event the Company has an unconditional right to defer payment for at least 12 months from the reference date.

Financial liabilities are derecognised from the financial statements upon redemption and when the Company has transferred all related risks and charges to the instrument itself.

PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges include losses and liabilities of a specific nature whose existence is certain or probable, but whose timing and extent are unknown.

Provisions are recognised only when there is a current (statutory or implied) obligation for a future outgoing of resources, resulting from a past event, and it is likely to be necessary to use such resources to fulfil the obligation. This amount represents the best estimate of the charge required to settle the obligation. The rate used to determine the current value of the liability reflects the current market values and considers the specific risk attributable to each single liability.

When the financial effect of the passing of time is significant and the payment dates of the obligations can be reliably estimated, the provisions are measured at the current value of the disbursement envisaged by using a rate that would reflect market conditions, the change in the cost of money over time and the specific risk connected with the obligation. The increase in the provision value, determined by changes in the cost of money over time, is accounted for as financial charge.

The risks for which the occurrence of a liability is merely possible are eventually indicated in the special section on possible liabilities and no allocation is provided.

PERSONNEL-RELATED PROVISIONS

Personnel-related provisions include: i) defined-contribution plans and ii) defined-benefit plans.

With reference to defined-contribution plans, costs related to these plans are recognised in the income statement, when incurred.

With reference to defined-benefit plans, Company net liabilities are determined separate for each plan, by estimating the current value of future benefits that employees have accrued over the year and prior years, and deducting fair value of any plan assets. The current value of obligations is based on the use of actuarial methods, which assign the benefit deriving from the plan to the periods in which the obligation arises (Projected Unit Credit Method) and is based on actuarial assumptions that are objective and comparable. Plan assets are measured and recognised at fair value.

If the above calculation reports a possible asset, the amount to be paid is limited to the actual value of each economic benefit available, under the form of reimbursements or reductions of future contributions to the plan (asset threshold).

The cost components of defined benefits are recognised as follows:

- costs related to service performance are recognised in the income statement, under "personnel costs" item, while
- net financial charges on defined-benefit liabilities or assets are recognised in the income statement under "Financial income/(charges)" item, and are calculated by multiplying the value of net liabilities/(assets) by the rate used to discounting obligations, taking account of payments of contributions made and benefits during the period;
- the remeasuring components of net liabilities, including actuarial profits and losses, the yield of assets (excluding interest income recognised in the income statement), as well as any change in the asset threshold, are immediately recognised in the comprehensive income statement, under changes in shareholders' equity related to financial items. These components must not be reclassified under the financial components in a subsequent period.

PUBLIC GRANTS

Public grants are recognised at their fair value when there is the reasonable certainty that all conditions required to their achievement be fulfilled and that they will be received. Grants received for specific expenses are recognised as liabilities and systematically charged to the income statement over the years, as a counter-balance of related expenses.

Investment grants, including non-monetary grants measured at fair value, are recorded as deferred income, systematically and rationally charged as income over the useful life of the asset.

ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current and current assets of disposal groups are classified as held for sale if the related book value is recovered mainly through the sale. This condition is deemed as fulfilled when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its current conditions. Non-current assets held for sale, current and non-current assets related to disposal groups and liabilities directly attributable are recognised in the statement of financial position, separate from other assets and liabilities.

Non-current assets held for sale are not amortised and are measured at the lower of their book value and the related fair value, less the costs of sale.

Any difference between book value and fair value, less the costs of sale, is charged to the income statement as write-down. Any recoveries in value are recognised until recovery of the previously recorded write-downs, including those that were recognised before the classification of the asset as held for sale.

Non-current assets, as well as current and non-current assets of disposal groups, classified as held for sale, represent a discontinued operation if, either of the following occurs:

- they represent a business unit of core business or a geographical area of core business; or
- they are part in a disposal program of an important business unit of core business or a geographical area of core business; or
- they are a subsidiary acquired exclusively to be sold.

The results of the discontinued operations, as well as any capital gain/loss from the sale, are disclosed separate in the income statement, under a special item, less all related tax effects. The financial values of discontinued operations are also disclosed for years considered for comparison purpose.

REVENUE RECOGNITION

Revenue is recognised based on the recognition model provided for by IFRS 15, which is based on 5 steps:

i. identification of the contract with the customer. The term contract means the approved trade agreement between two or more parties that creates demandable rights and obligations. The standard contains specific provisions for assessing whether two or more contracts must be combined with each other and for identifying the accounting implications of a contractual amendment;

ii. identification of the "Performance obligations" contained in the contract;

iii. determination of the "Transaction price". Among other things, in order to determine the transaction price, it is necessary to consider the following elements:

  - any amounts collected on behalf of third parties that must be left out of the consideration;
  - variable price components (such as performance bonuses, penalties, discounts, refunds, incentives, etc.);
  - financial component, if the terms of payment grant the customer a significant extension;

iv. allocation of the price to the performance obligations on the basis of the "Relative Stand Alone Selling Price";

v. recognition of revenue when the performance obligation is met. Transfer of the asset or service takes place when the customer obtains control of the asset or service, that is to say, when it has the ability to decide and/or address its use and basically obtain all of its benefits. The principle stated by IAS 18 for which the revenue is recognised by looking at the benefits that can be gained from the asset and at the assessment of likelihood of collecting the relevant receivable is replaced. Control can be transferred at a point in time or over time.

According to the type of transaction, revenue is recognised based on the following specific criteria:

i. revenue from sales of goods is recognised when, along with control over the asset, the risks and benefits related to the ownership of the assets are transferred to the purchaser and their amount can be determined reliably;

ii. revenue for sales and transport of electricity is recognised when the supply or service is provided, even if not yet invoiced. This revenue is based on stock exchange prices and contract prices, taking into account, when applicable, the tariffs and criteria established by measures of law and by the Regulatory Authority for Energy Networks and Environment, in force during the reference period. Revenue not yet ascertained with the counterparty is determined with appropriate estimates;

iii. revenue for the sale of certificates is recorded at the time of transfer;

iv. revenue from services rendered is recorded upon supply, or according to contract clauses.

RECOGNITION OF COSTS

Costs are recognised upon acquisition of an asset or service.

TAXES

Current taxes are calculated based on the taxable income for the year, by applying tax rates in force at the reporting date.

Deferred tax assets and liabilities are calculated based on all differences that arise between tax value of an asset or liability and the related carrying amount. Deferred tax assets, including those related to prior tax losses, are recognised to the extent that it is probable that there will be future taxable income to which that tax loss can be applied. Deferred tax assets and liabilities are determined by using the tax rate that it is estimated will be applicable in the years in which the differences will be realised or extinguished, based on the enacted or substantially enacted tax rate at the reporting date.

Current, deferred tax assets and liabilities are recognised in the income statement, except for those related to items directly debited or credited to shareholders' equity; in this case, also the related tax effect will be recognised directly to shareholders' equity.

3."WINDFALL" MEASURES

With regard to the "windfalls", described in detail in the reports on operations to the financial statements for the years 2022 and 2023, note the following.

Art. 15-bis of Italian Decree Law 4/2022 ("Sostegni TER"), as amended by Italian Decree Law 115/2022 ("Aiuti bis"), envisaged the following:

- from 1 February 2022 to 30 June 2023, a two-way compensation mechanism will be applied to energy prices, in reference to electricity supplied to the grid by:
    - a) PV plants with capacities of >20 kW that benefit from fixed bonuses under the "Conto Energia" mechanism, not dependent on market prices;
    - b) plants with capacities of >20 kW powered by solar, hydroelectric, geothermoelectric and wind sources which have no access to incentive mechanisms and became operational prior to 1 January 2010.
- The GSE calculates the difference between a reference price (58 euro/MWh for northern Italy) and a market price as follows:
    1. for PV plants with capacity of >20 kW (point a) powered by solar, wind, geothermal and run-of-the-river hydroelectric, the zone price per hour on the electricity market, i.e. for supply contracts signed before 27 January 2022 (and for 2023 those signed before 5 August 2022) the price stated in the contracts;
    2. for other plants (point b), the arithmetic monthly average zone price per hour on the electricity

market, i.e. for supply contracts signed before 27 January 2022 (and for 2023 those signed before 5 August 2022) the price stated in the contracts;

- If the difference between the reference price and market price as calculated above is positive, the GSE disburses the related amount to the producer. If negative, the GSE asks the producer to pay the corresponding amount or offset it against other items.
- The difference is settled between the GSE and the producer solely for supply contracts signed before 5 August 2022, provided these contracts are not linked to energy market spot price trends and, in any event, were not signed at an average price more than 10% above the reference market price, limited to the duration of the contracts.
- For the purpose of points 1) and 2) above, the only valid contracts are those signed between companies pertaining to the same group as the producer, even if not producers themselves, and other natural persons or legal entities external to the producer's corporate group.

Against this specific government measure, the financial statements as at 31 December 2022 included an estimated charge of 178 thousand euro, restated to 126 thousand euro as a result of the final technical report for the period 1 February 2022-31 December 2022 sent to the GSE in August 2023, with consequent recognition in 2023 of a contingent asset of 52 thousand euro.

In light of these restatements, as at 31 December 2023 the item "Other payables" included payables to the GSE of 513 thousand euro, specifically referring to this government measure for which, in 2024, there were no updates.

Note that in February 2025 the Italian Energy Service Operator (GSE or Gestore dei Servizi Energetici) issued invoices for payment of this consideration, the final calculation of which is under assessment by the GSE.

4. ESTIMATES AND ASSUMPTIONS

Preparation of financial statements requires directors to apply accounting principles and methodologies that, in some cases, are based on valuations and estimates, which in turn are based on historic experience and assumptions considered reasonable and realistic according to circumstances at any given time. The application of such estimates and assumptions affects the amounts reported in financial statements, as well as the information disclosed. The ultimate actual amounts of accounting items, for which these estimates and assumptions have been used, might differ from those reported in the financial statements, showing the effects of the occurrence of the estimated item, due to the uncertainty characterising the assumptions and conditions on which estimates are based.

Below a short list is provided of the accounting items related to the Company that require greater subjectivity on the part of directors in developing estimates and for which any change in conditions underlying assumptions made could have a significant impact on the Company's financial results.

a) **Impairment Test:** the carrying amount of property, plant and equipment and intangible assets is periodically tested for impairment and whenever circumstances or events require a more frequent assessment.
Whenever it is deemed that a carrying amount of a group of fixed assets has suffered an impairment

loss, the same is written-down to the related recoverable value, estimated based on the use and future sale of the asset, in relation to provisions set out in the latest business plans. It is deemed that estimates of these recoverable values are reasonable. However, possible changes in the estimate factors, on which the calculation of the aforesaid recoverable values is based, might result in different valuations.

b) **Provision for write-downs**: the provision for write-downs reflects the best estimate made by directors on doubtful receivables from customers. This estimate is based on expected losses incurred by the Company, determined according to past experience made for similar receivables, current and historic overdue amounts, the careful monitoring of creditworthiness and projections on economic and market positions.

c) **Deferred tax assets:** deferred tax assets are recognised on the basis of expectations of taxable income in future years to be used for their recovery. The valuation of the expected taxable income for the purpose of recognising deferred tax assets depends on factors that can vary over time and significantly affect the deferred tax assets recoverability.

d) **Provisions for risks and charges:** with respect to legal risks, allocations are recognised representing the risk of an unfavourable outcome of disputes. The value of provisions in the financial statements related to these risks represents the best estimate to date made by directors. This estimate entails the adoption of assumptions depending on factors that might change over time and that might therefore have a significant impact on current estimates made by directors in the drafting of Company financial statements.

e) **Fair value of derivative financial instruments:** the calculation of the fair value of unlisted financial assets, such as derivatives, is determined through financial measurement methods generally used and that require basic assumptions and estimates. These assumptions might not occur in the expected times and modalities. Estimates made by the Company might therefore differ from closing figures.

5. ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS THAT ARE APPLICABLE IN THESE FINANCIAL STATEMENTS

The following accounting standards and amendments to the accounting standards issued by IASB and implemented by the European Union, where foreseen, are mandatorily applicable starting from 1 January 2024.

- Amendments to IAS 1 "Presentation of financial statements".

The amendments, issued on 31 October 2022 and effective from 1 January 2024 with early application permitted, clarify the requirements to be considered in determining whether, in the statement of financial position, payables and other liabilities with an uncertain settlement date should be classified as current or non-current (including payables extinguishable by conversion into equity instruments). The proposed changes clarify that a liability is classed as current when, at the closing date of the year, the entity does not have the right to defer its payment for at least 12 months. The right to defer payment must not be unconditional, but rather substantial and existent at the year-end date. It is irrelevant whether the entity intends to exercise this right or not during the subsequent 12 months (e.g.

the intention to refinance a loan by extending its maturity) and any decisions adopted between the reporting date and the publication of the financial statements (e.g. decision to arrange early repayment of the loan). Furthermore, if the right to defer payment beyond 12 months on a liability arising from a loan agreement is dependent on compliance with covenants, classification of the liability is current or non-current must take the following into account:

- compliance with contractual covenants up to the financial statements closing date is material in determining the existence or not of the right to defer payment of the liability for at least 12 months;
- compliance with contractual covenants up to the financial statements closing date is not material in determining the existence or not of the right to defer payment of the liability for at least 12 months.

With reference to disclosure in the financial statements, the entity must provide the following additional information in the explanatory notes to the financial statements in reference to subsequent events that do not result in an adjustment:

- long-term refinancing of a liability classed as current;
- settlement of a breach of a long-term loan agreement classified as a current liability;
- granting by the lender of a grace period for settlement of a breach of a long-term loan agreement classified as a current liability;
- settlement of a liability classed as non-current.

If the entity has liabilities deriving from loan agreements classed as non-current, on which the right to defer payment is dependent upon compliance with covenants to be calculated in the 12 months after the closing date of the financial statements, the following additional information must be provided in the explanatory notes to the financial statements:

- amount of non-current liabilities subject to compliance with covenants in the following 12 months;
- description of the covenants and indication of the dates on which the entity must comply with them;
- events and circumstances, if any, proving the entity's difficulty in complying with the covenants (e.g. action taken before and/or after the reporting date to avoid breach of the covenants, the fact that the covenants to be complied with in the following 12 months would be breached if the figures as at year end were used).

- **Amendments to IFRS 16 "Leases: Lease Liability in a Sale and Leaseback".**

  The amendments, issued on 22 September 2022 and applicable from 1 January 2024 with early application permitted, concern the accounting of a sale and leaseback transaction, which provides for the payment of variable fees by the lessee-seller.

- **Amendments to IAS 7 "Statement of Cash Flows".**

  On 25 May 2023, the IASB published "Supplier Finance Arrangements", amending IAS 7 to regulate the requirements for the presentation of liabilities and related cash flows deriving from supply chain finance arrangements and related additional disclosures. Before the amendments, neither IAS 7 nor IFRS 7 envisaged specific disclosure requirements for reverse factoring. The standard requires information to be provided that allows financial statements users to assess the nature and extent of the risks deriving from financial instruments to which the entity is exposed; reverse factoring often gives rise to liquidity risk due to the concentration of part of the liabilities with one financial institution.

With reference to the application of these standards, amendments and new interpretations, it should be noted that there was no impact on the Company's 2024 financial statements.

6. ACCOUNTING STANDARDS APPLICABLE IN YEARS AFTER THAT ENDED 31 DECEMBER 2024

The following accounting standards, amendments to accounting standards and interpretations issued by the IASB and endorsed by the European Union at the date of presentation of the 2024 financial statements shall be applied for the financial years following 2024.

- **Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates".**

  On 15 August 2023, the IASB published "Lack of Exchangeability", which mainly defined:

  - The requirements for establishing when a currency is convertible into another and when it is not;
  - The requirements for estimating the spot exchange rate when a currency is not convertible into another and the related additional disclosure requirements.

  This amendment will enter into force from 1 January 2025.

- **Amendments to IFRS 18 "Presentation and Disclosure in Financial Statements".**

The issue of IFRS 18, published on 9 April 2024, concluded the IASB project relating to interventions on financial disclosures in the financial statements. This standard aims to improve disclosures on company performance in terms of comparability, transparency and usefulness of information published in financial statements, and introduces substantial changes to their structure, particularly to the Income Statement. The focus is mainly on:

- The introduction of classification requirements for income and expense items in five different categories of the Income Statement, including a new mandatory sub-total: "operating profit (loss)";
- The introduction of general principles on how information is to be aggregated and disaggregated;
- The disclosure on financial performance indicators.

This amendment will enter into force from 1 January 2027, but early adoption is permitted.

- **Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"**

On 30 May 2024, the IASB issued an amendment on the classification and measurement of financial instruments. The amendments to IFRS 9 concern the derecognition of a financial liability settled using an electronic payment system and indications on how to classify financial assets with environmental, social and governance (ESG) characteristics. The amendments to IFRS 7, on the other hand, concern the disclosure to be provided on investments in equity instruments designated at fair value.

This amendment will enter into force from 1 January 2026.

7. INFORMATION ON FINANCIAL RISKS

With regard to business risks, the main risks that have been identified and monitored and, for the extent described hereunder, managed by the Company, are as follows:

- market risk (defined as interest rate risk and commodity price risk);
- credit risk (both in relation with normal trade relations with customers and financing activities);
- liquidity risk (with reference to the availability of cash resources and to the access to credit facilities and financial instruments in general).

The Company's objective is to maintain a balanced management over time of its financial exposure that would ensure a structure where liabilities are balanced with assets in the financial statements, as well as the necessary operating flexibility through the use of cash flows generated by current operating assets and bank credit facilities.

The management of the related financial risks is governed and monitored at centralised level. In particular, the dedicated department is in charge of assessing and approving the provisional financial requirements, while monitoring their performance and implementing adequate correction measures, if applicable.

The following section supplies quality and quantity reference information on the impact of these risks on the Company.

7.1 MARKET RISK

7.1.1 INTEREST RATE RISK

The Company utilises external financial resources in the form of credit facilities, and uses cash on hand in bank deposits. Changes in market interest rates affect the cost and the yield of the various credit facilities and uses, therefore affecting the amount of Company financial income and charges. With regard to the measurement of financial charges related to indebtedness, the Company, which is exposed to interest rate fluctuations, regularly assesses its exposure to the interest rate risk and manages it by adopting less onerous credit facilities.

As at 31 December 2024, the Company's indebtedness also included a bond loan for 5,051,800 euro.

The Company has fixed-rate and floating-rate loans in place, the latter benchmarked mainly to *Euribor* rate plus a spread for the period, according to the type of credit line used. The applied margins are comparable with the best market standards. In order to limit the risk of interest rate fluctuations, on some loans the Company uses derivatives, mainly *interest rate swaps*, with the aim of mitigating, at economically feasible terms, the possible impact of interest rate fluctuations on the economic result.

The main characteristics of derivatives subscribed by the Company and in place as at 31 December 2024 and 2023 to hedge interest rate fluctuations are summarised as follows:

IRS

	AS AT 31 DECEMBER 2024	
Date of transaction	25/05/2017	26/05/2017
Company	Dolomiti Energia Holding Spa	Dolomiti Energia Holding Spa
Counterparty	Unicredit	Intesa San Paolo
Effective date	01/01/2021	01/01/2021
Maturity	30/09/2032	30/09/2032
Notional in Euro	32,291,667	32,291,667
Floating interest rate	Euribors 3M (floor -0,80)	Euribors 3M (floor -0,80)
Fixed interest rate	1.34%	1.32%
Fair value	1,035,479	1,053,565

	AS AT 31 DECEMBER 2023	
Date of transaction	25/05/2017	26/05/2017
Company	Dolomiti Energia Holding Spa	Dolomiti Energia Holding Spa
Counterparty	Unicredit	Intesa San Paolo
Effective date	01/01/2021	01/01/2021
Maturity	30/09/2032	30/09/2032
Notional in Euro	36,458,333	36,458,333
Floating interest rate	Euribors 3M (floor -0,80)	Euribors 3M (floor -0,80)
Fixed interest rate	1.34%	1.32%
Fair value	1,707,393	1,731,530

Sensitivity Analysis related to interest rate risk

The Company's exposure to interest rate risk was measured through a sensitivity analysis that considered current financial liabilities. Within the hypotheses made, the effects on the Company's Income Statement and Shareholders' Equity as at 31 December 2024 were evaluated with respect to a possible change in market rates, which discounted 50 bps write-up and write-down, respectively. The calculation method applied the hypothesis of changes in both balances of the gross bank indebtedness and interest rate paid during the year to remunerate these floating rate liabilities. This analysis is based on the assumption of a general and prompt change in the reference interest rate level.

The result of this hypothetical, immediate and unfavourable (favourable) change in interest rates in the short-term, applicable to the Company's floating rate financial liabilities are shown in the following table.

(In thousands of Euro)

	Impact on profit, net of tax effect		Impact on Shareholders' Equity, net of tax effect	
	- 50 bps	+ 50 bps	- 50 bps	+ 50 bps
Year ended 31 December 2024	318	(318)	318	(318)
Year ended 31 December 2023	210	(210)	210	(210)

7.2 CREDIT RISK

The credit risk represents the Company's exposure to possible losses resulting from the non-fulfilment of obligations undertaken by the counterparties.

This type of risk is managed by the Company through special procedures and mitigation measures, aimed at both assessing creditworthiness of the counterparty and constantly checking that the exposure thresholds be complied with, as well as through adequate guarantees.

Trade receivables are recognised in the financial statements net of any write-downs determined on the basis of the default risk of the counterparties, taking into account the information available on solvency of the customer and the historical data.

The overall exposure to credit risk as at 31 December 2024 and 31 December 2023 is represented by the sum of financial assets recorded in the financial statements, summarised as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	Variazione
Trade receivables	12,861	11,282	1,579
Financial assets	167,947	263,561	(95,614)
Other assets	84,693	43,704	40,989
Provision for write-downs	(640)	(640)	-
TOTAL	**264,861**	**317,907**	**(53,046)**

Trade receivables as at 31 December 2024 are shown in this table by due date.

(in thousands of Euro)

	Due	Past due 0-30 days	Past due 31-60 days	Past due 61-90 days	Past due 90-180 days	Past due after 180 days
Trade receivables	11,250	1,211	19	57	7	317
TOTAL	**11,250**	**1,211**	**19**	**57**	**7**	**317**

7.3 LIQUIDITY RISK

Liquidity risk is the risk that a company will not be able to fulfil its financial commitments due to the lack of sufficient liquidity.

The main factors that influence the total liquidity of the Group are the resources generated or absorbed by operations and the contractual characteristics of debt: however, the Group has sufficient cash credit facilities to cover its liquidity needs.

Liquidity risk management aims to define a financial structure in line with the corporate objectives and that can ensure a suitable level of short-term liquidity and a balance in terms of debt duration and break-down that is capable of supporting the investment programmes.

In order to effectively monitor the Group liquidity, the "Risk Management" department has implemented a control system aimed at ensuring that the credit lines are extensive enough to deal with any prospective stress situations.

The following table analyses the financial liabilities (including trade and other payables) that are expected to be redeemed within the year, in a period between one and five years and after 5 years:

(in thousands of Euro)

	AS AT 31 DECEMBER 2024		
	Maturity		
	WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BEYOND 5 YEARS
Trade payables	18,078	-	-
Payables due to banks and other lenders	850,162	73,626	85,417
Other payables	16,154		
TOTAL	**884,394**	**73,626**	**85,417**

(in thousands of Euro)

	AS AT 31 DECEMBER 2024		
	Maturity		
	WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BEYOND 5 YEARS
Trade payables	11,951	-	-
Payables due to banks and other lenders	429,172	66,201	105,052
Other payables	8,956	107	-
TOTAL	**450,079**	**66,308**	**105,052**

7.4 *FAIR VALUE* ESTIMATE

As regards financial instruments measured at fair value, the following table shows information on the method adopted to determine the fair value. The possible methods are broken down in the following levels, based on the source of available information, as described hereunder:

- Level 1: fair value is measured with reference to prices quoted (unadjusted) in active markets for identical financial instruments;
- Level 2: fair value is measured based on measurement techniques taking benchmark parameters that are observable on the markets;
- Level 3: fair value is measured based on measurement techniques taking benchmark parameters that are not observable on the market.

Company financial instruments recognised at fair value are classified under level 2 and the general criterion used to calculate the same is the current value of future cash flows envisaged by the instrument being measured.

The following table shows assets and liabilities measured at fair value as at 31 December 2024 and 31 December 2023:

(in thousands of Euro)	AS AT 31 DECEMBER 2024		
Assets	**Level 1**	**Level 2**	**Level 3**
Derivative instruments (interest rate swap)*	-	2,089	-

[* this amount includes the fair value of all derivatives that, under an accounting viewpoint, are classified as hedging].

(in thousands of Euro)	AS AT 31 DECEMBER 2023		
Assets	**Level 1**	**Level 2**	**Level 3**
Derivative instruments (interest rate swap)*	-	3.439	-

[* this amount includes the fair value of all derivatives that, under an accounting viewpoint, are classified as hedging].

It should be noted that trade receivables and payables were measured at carrying amount, as the latter is deemed as similar to the current value.

The following table shows financial assets and liabilities as at 31 December 2024 and 31 December 2023 broken down by category:

(in thousands of Euro)

	AS AT 31 DECEMBER 2024			
	Financial assets/ liabilities measured at amortised cost	Financial assets/ liabilities measured at fair value FVOCI	Financial assets/ liabilities measured at fair value FVTPL	Total
CURRENT ASSETS				
Cash and cash equivalents	134,783	-	-	134,783
Trade receivables	12,221	-	-	12,221
Other assets and other current financial assets	240,334	-	-	240,334
NON-CURRENT ASSETS				
Other assets and other non-current financial assets	10,217	2,089	-	12,306
CURRENT LIABILITIES				
Trade payables	18,078	-	-	18,078
Current financial liabilities	850,162	-	-	850,162
Other current liabilities	16,154	-	-	16,154
NON-CURRENT LIABILITIES				
Non-current financial liabilities	159,044	-	-	159,044
Other non-current liabilities	787	-	-	787

(in thousands of Euro)

	AS AT 31 DECEMBER 2023			
	Financial assets/ liabilities measured at amortised cost	Financial assets/ liabilities measured at fair value FVOCI	Financial assets/ liabilities measured at fair value FVTPL	Total
CURRENT ASSETS				
Cash and cash equivalents	27,764	-	-	27,764
Trade receivables	10,642	-	-	10,642
Other assets and other current financial assets	293,573	-	-	293,573
NON-CURRENT ASSETS				
Other assets and other non-current financial assets	10,253	3,439	-	13,692
CURRENT LIABILITIES				
Trade payables	11,951	-	-	11,951
Current financial liabilities	429,172	-	-	429,172
Other current liabilities	8,956	-	-	8,956
NON-CURRENT LIABILITIES				
Non-current financial liabilities	171,253	-	-	171,253
Other non-current liabilities	107	-	-	107

7.5 RISKS ASSOCIATED WITH CLIMATE CHANGE

Climate change has always characterised and conditioned the history of our planet, but the global warming we have been witnessing for about 150 years is anomalous, because it is triggered by man and his actions. The consequences of climate change still underway have translated into an already evident global warming, with significant reductions in glaciers and an increase in extreme weather events. Climate change is becoming more and more of a climate crisis, because the climate has always changed, but not so quickly and not with rigid and complex infrastructures like cities and the production system that most industrialised countries are used to.

As confirmed in numerous studies and publications available in scientific literature, the effects of climate change expected for the thermo-pluviometric regime will modify the availability of water resources, altering the extent and seasonality of runoff into surface waterways. With regard to the situation in Trentino, detailed hydrological studies, some of which targeting the analysis of a specific context by the Company, others in the public domain and of a more general context, have shown that there will be a substantial constancy over time in the quantity of cumulative annual precipitation, with very limited precipitation intensity variations, thanks to the persisting effectiveness of convective phenomena generated due to the Alpine topography.

As regards temperature and evapotranspiration, there will be a more marked increase in the long term rather than in the medium term: estimates assume an average increase of 1°C in the short term (2025-2040) and of 2°C in the long term (2041-2060).

This leads management to arrange careful and continuous monitoring of current and future climate changes, in order to safeguard the profitability of its business and the technical-economic value of the physical assets servicing hydroelectric production, as well as the carrying amount of investees operating in that segment.

8. NOTES TO THE STATEMENT OF FINANCIAL POSITION

8.1 RIGHTS OF USE

Changes in "Rights of Use" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Right of use of buildings	Right of use of other goods	Total
BALANCE AS AT 1 JANUARY 2023	**1,596**	**277**	**1,873**
Of which:			
Historical cost	*10,299*	*704*	*11,003*
Accumulated amortisation	*(8,703)*	*(427)*	*(9,130)*
Increases	252	193	445
Net decreases	-	(5)	(5)
Amortisation	(375)	(140)	(515)
BALANCE AS AT 31 DECEMBER 2023	**1,473**	**325**	**1,798**
Of which:			
Historical cost	*10,552*	*666*	*11,218*
Accumulated amortisation	*(9,078)*	*(341)*	*(9,419)*
Increases	-	620	620
Net decreases	-	(65)	(65)
Amortisation	(379)	(196)	(575)
BALANCE AS AT 31 DECEMBER 2024	**1,094**	**684**	**1,778**
Of which:			
Historical cost	*10,552*	*961*	*11,513*
Accumulated amortisation	*(9,458)*	*(277)*	*(9,735)*

"Rights of use of buildings" amounting to 1,094 thousand euro mainly refer to contracts related to the real estate property destined as registered office in Rovereto (TN).

"Rights of use of other goods" amounting to 684 thousand euro refer to contracts for vehicles with an average duration of 5 years. For the company cars, the Company decided on long-term rentals and at the expiry of these contracts, they are replaced with new vehicles and new long-term contracts; sometimes, at the natural expiry of these contracts, they are extended for a further 12 months without a formal renewal.

The information required under EU standard IFRS 16 par. 53 is provided below.

(in thousands of Euro)

	Notes	As at 31 December 2024
Amortisation of rights of use	09:06	575
Interest expense on financial liabilities for leases	09:09	50
Short-term contract related costs	09:04	160
Costs related to contracts for low value goods	09:04	702
Costs related to variable lease payments not included in the measurement of the liability		-
Income from sub-leasing of substantial assets in the right of use		-
TOTAL FINANCIAL OUTFLOW FOR LEASES		**1072**
Profits/(losses) from sales and leaseback transactions		-

8.2 INTANGIBLE ASSETS

Changes in the "Intangible assets" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Concessions	Industrial patent and intellectual property rights	Other	Work in progress and advance payments	Total
BALANCE AS AT 1 JANUARY 2023	**3,114**	**12,874**	**12**	**361**	**16,361**
Of which:					
Historical cost	*7,940*	*66,152*	*2,256*	*361*	*76,709*
Accumulated amortisation	*(4,826)*	*(53,278)*	*(2,244)*	*-*	*(60,348)*
Increases	-	5,317	-	3,387	8,704
Net decreases	-	(2)	-	-	(2)
Reclassifications	-	133	-	(133)	-
Amortisation	(387)	(6,072)	(6)	-	(6,465)
BALANCE AS AT 31 DECEMBER 2023	**2,727**	**12,250**	**6**	**3,615**	**18,598**
Of which:					
Historical cost	*7,940*	*71,600*	*2,256*	*3,615*	*85,411*
Accumulated amortisation	*(5,213)*	*(59,350)*	*(2,250)*	*-*	*(66,813)*
Increases	-	6,452	1,699	4,701	12,852
Net decreases	-	-	-	(940)	(940)
Reclassifications	-	1,186	1,316	(2,502)	-
Amortisation	(387)	(6,857)	(187)	-	(7,431)
BALANCE AS AT 31 DECEMBER 2024	**2,340**	**13,031**	**2,834**	**4,874**	**23,079**
Of which:					
Historical cost	*7,940*	*79,238*	*5,271*	*4,874*	*97,323*
Accumulated amortisation	*(5,600)*	*(66,207)*	*(2,437)*	*-*	*(74,244)*

The **Concessions** item refers to charges on franchises on small water diversions of the Mini Idro plants purchased from Dolomiti Energia Holding in previous years (1,830 thousand euro). The amortisation of the concession is related to its duration, equal to twenty years with expiry in 2029; It also includes a thirty-year concession of the Oleificio Costa power plant of 406 thousand euro, expiring in 2048, and a surface right with a duration of 25 years, acquired in 2022 for the construction of a photovoltaic plant for a net value of 104 thousand euro.

Industrial patent and intellectual property rights fully include the costs relating to the acquisition, implementation and development of software serving the activities carried out by the companies belonging to the Dolomiti Energia Group, with an increase of 6,452 thousand euro relating to investments to develop software used by the Group companies.

The **"Other"** item includes the costs for construction of the new Rio Cavelonte power plant in the Municipality of Panchià (2,766 thousand euro). The plant is owned by the Municipality of Panchià and the concession is held by Dolomiti Energia Holding until 31 December 2040, as indicated in the joint venture agreement no. 583 of 26/05/2023. The investment was partly financed by the Municipality of Panchià (708 thousand euro) and deferred over the duration of the concession.

Work in progress and advance payments at the end of the year amounted to 4,874 thousand euro and mainly relate to development of the new Butterfly project for the upgrade of Corporate and Distribution services to the new SAP 4 Hana for 4,389 thousand euro, software development for the subsidiaries Hydro Dolomiti Energia and Dolomiti Edison Energy (215 thousand euro) and feasibility studies relating to the construction of photovoltaic plants in Sicily/Umbria (270 thousand euro).

8.3 PROPERTY, PLANT AND EQUIPMENT

Changes in "Property, plant and equipment" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Land and buildings	Plant and equipment	Industrial and commercial fittings	Other assets	Work in progress and advance payments	Total
BALANCE AS AT 1 JANUARY 2023	26,504	15,290	801	1,458	1,261	45,314
Of which:						
Historical cost	*42,199*	*40,613*	*4,709*	*12,410*	*1,261*	*101,192*
Accumulated depreciation	*(15,695)*	*(25,323)*	*(3,908)*	*(10,952)*	*-*	*(55,878)*
Increases	712	516	115	504	122	1,969
Net decreases	-	-	-	(2)	(1,170)	(1,172)
Reclassifications	-	63	-	-	(63)	-
Depreciation	(1,355)	(954)	(98)	(395)	-	(2,802)
BALANCE AS AT 31 DECEMBER 2023	25,861	14,915	818	1,565	150	43,309
Of which:						
Historical cost	*42,911*	*41,192*	*4,824*	*12,820*	*150*	*101,897*
Accumulated depreciation	*(17,050)*	*(26,277)*	*(4,006)*	*(11,255)*	*-*	*(58,588)*
Increases	704	406	281	578	4,337	6,306
Net decreases	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
Depreciation	(1,464)	(763)	(104)	(312)	-	(2,643)
BALANCE AS AT 31 DECEMBER 2024	25,101	14,558	995	1,831	4,487	46,972
Of which:						
Historical cost	*43,615*	*41,598*	*5,105*	*13,363*	*4,487*	*108,168*
Accumulated depreciation	*(18,514)*	*(27,040)*	*(4,110)*	*(11,532)*	*-*	*(61,196)*

With regard to **property, plant and equipment**, costs were capitalised in 2024 for services provided by internal staff for 806 thousand euro.

The **land** item includes that related to hydro and thermoelectric works for 318 thousand euro, and other land purchased for expansion projects of company offices for 5,477 thousand euro. On 1 January 2003, following the merger by incorporation of SIT and ASM into Dolomiti Energia (now Dolomiti Energia Holding S.p.A.), a capital gain of 5,907 thousand euro was allocated to land (note 2.4).

The **buildings** item also includes capitalisations of buildings of the hydroelectric production plants with a residual value of 1,716 thousand euro; improvements made in the offices in Rovereto, which are rented from the Municipality, for a residual value of 1,889 thousand euro, as well as the building of the offices in Trento, for a residual value of 5,387 thousand euro, and the building "Le Albere" in Trento, for a residual value of 4,137 thousand euro. On 1 January 2003, following the merger by incorporation of SIT and ASM into Dolomiti Energia (now Dolomiti Energia Holding S.p.A.), a capital gain of 2,200 thousand euro was allocated to the item buildings (note 2.4), for a residual value at 31 December 2024 of 277 thousand euro.

The **plant** and equipment item includes machinery for the power plants and transferable works related to the hydroelectric power plants of S. Colombano, Sorne, Tesino and Mini Idro, for the residual value of 12,953 thousand euro, proprietary thermoelectric equipment and photovoltaic plants (1,047 thousand euro). This also includes fixed systems of the corporate offices and charge stations for the vehicle fleet for a net value of 558 thousand euro.

The **industrial and commercial fittings** item includes equipment for the chemical-bacteriological laboratory (residual value of 853 thousand euro), as well as remote control systems and other equipment for the hydroelectric sector (residual value of 3 thousand euro) and other inventory fittings (residual value 139 thousand euro).

The **other assets** item mainly concerns furniture and office equipment (residual value of 1,180 thousand euro) and hardware for a residual value of 634 thousand euro.

Work in progress at the end of the year amounted to 4,487 thousand euro and mainly concerns photovoltaic plants (1,009 thousand euro), machinery for the Chizzola, Fontanedo, Pozzena, La Rocca, San Mauro and San Colombano hydroelectric plants (1,930 thousand euro), structural hydraulic works for the San Colombano and Pozzena plants (66 thousand euro), construction of a logistics platform (849 thousand euro) and construction of a hydrogen plant (631 thousand euro).

8.4 EQUITY INVESTMENTS

The "Equity investments" item is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Equity investments in subsidiaries	1,207,246	777,512	429,734
Equity investments in associates and joint ventures	38,241	51,329	(13,088)
Equity investments in other companies	21,707	23,851	(2,144)
TOTAL	1,267,194	852,692	414,502

Changes in equity investments in subsidiaries, associates, joint ventures and other companies for the year ended 31 December 2024 and 2023 are shown hereunder:

Description of equity investments

(in thousands of Euro)

	Percentage held	Carrying amount as at 31 December 2023	Changes in 2024	Reclassif. in 2024	Carrying amount in 2024	Provision for write-downs as at 31 December 2023	Changes in 2024	Provision for write-downs as at 31 December 2024	Net Value as at 31 December 2024	Net Value as at 31 December 2023
DOLOMITI EN.SOLUTIONS SRL	100.00%	5,916		-	5,916	-	-	-	5,916	5,916
NOVARETI SPA	100.00%	139,266	-	-	139,266	-	-	-	139,266	139,266
DOLOMITI EN.HYDRO POWER SRL	100.00%	4,500	-		4,500	-	-	-	4,500	4,500
DOLOMITI GNL SRL	100.00%	1,600	-	-	1,600	-	-	-	1,600	1,600
DOLOMITI AMBIENTE SRL	100.00%	16,010	-	-	16,010	-	-	-	16,010	16,010
GASDOTTI ALPINI SRL	100.00%	1,010	-	-	1,010	-	-	-	1,010	1,010
DOLOMITI ENERGIA WIND POWER SRL	100.00%	26,165	-	-	26,165	-	-	-	26,165	26,165
DOLOMITI TRANSITION ASSET SRL	100.00%	10,780	-	-	10,780	-	-	-	10,780	10,780
EPQ SRL	100.00%	-	50,052	13,088	63,140	-	-	-	63,140	-
HYDRO DOLOMITI ENERGIA SRL	100.00%	408,402	366,495	-	774,897	-	-	-	774,897	408,402
DOLOMITI HYDRO STORAGE SRL	100.00%	-	100	-	100	-	-	-	100	-
DOLOMITI EN.TRADING SPA	98.72%	13,334	-	-	13,334	-	-	-	13,334	13,334
DOLOMITI ENERGIA SPA	82.96%	32,619	-	-	32,619	-	-	-	32,619	32,619
S.E.T.DISTRIBUZIONE SPA	68.58%	85,800	-	-	85,800	-	-	-	85,800	85,800
DOLOMITI EDISON ENERGY SRL	51.00%	32,109	-	-	32,109	-	-	-	32,109	32,109
TOTAL SUBSIDIARIES		**777,511**	**416,647**	**13,088**	**1,207,246**	**-**	**-**	**-**	**1,207,246**	**777,511**
SF ENERGY SRL	50.00%	27,545	-	-	27,545	-	-	-	27,545	27,545
NEOGY SRL	50.00%	4,900	750	-	5,650	(4,900)	(750)	(5,650)	-	-
IVI GNL SRL	50.00%	580	-	-	580	-	-	-	580	580
GIUDICARIE GAS SPA	43.35%	839	-	-	839	-	-	-	839	839
EPQ SRL	33.00%	13,088	-	(13,088)	-	-	-	-	-	13,088
TECNODATA TRENTINA SRL	25.00%	413	-	-	413	-	-	-	413	413
BIOENERGIA TRENTINO SRL	24.90%	1,769	-	-	1,769	-	-	-	1,769	1,769
AGS SPA	20.00%	7,095	-	-	7,095	-	-	-	7,095	7,095
TOTAL ASSOCIATED COMPANIES AND JOINT VENTURES		**56,229**	**750**	**(13,088)**	**43,891**	**(4,900)**	**(750)**	**(5,650)**	**38,241**	**51,329**
PRIMIERO ENERGIA SPA	19.94%	4,614	-	-	4,614	-	-	-	4,614	4,614
INIZIATIVE BRESCIANE SPA	16.53%	17,659	-	-	17,659	-	(2,265)	(2,265)	15,394	17,659
SPREENTECH VENTURES SRL	12.05%	100	120	-	220	-	-	-	220	100
BIO ENERGIA FIEMME SPA	11.46%	785	-	-	785	-	-	-	785	785
CHERRYCHAIN SRL	9.84%	300		-	300	-	-	-	300	300
DISTR. TECN.TRENTINO Sc.ar.l.	2.76%	5	-	-	5	-	-	-	5	5
ISTITUTO ATESINO SVIL.SPA	0.32%	387	-	-	387	-	-	-	387	387
CONS.ASSINDUSTRIA ENERGIA	0%	1	-	-	1	-	-	-	1	1
CASSA RURALE ROVERETO	0%	-	-	-	-	-	-	-	-	-
TOTAL OTHER COMPANIES		**23,851**	**120**	**-**	**23,971**	**-**	**(2,265)**	**(2,265)**	**21,706**	**23,851**
TOTAL EQUITY INVESTMENTS		**857,591**	**417,517**	**-**	**1,275,108**	**(4,900)**	**(3,015)**	**(7,915)**	**1,267,193**	**852,691**

(in thousands of Euro)

	Percentage held	Carrying amount as at 31 December 2022	Changes in 2023	Reclassif. in 2023	Book value in 2023	Provision for write-downs as at 31 December 2022	Changes in 2023	Provision for write-downs as at 31 December 2023	Net Value as at 31 December 2023	Net Value as at 31 December 2022
DOLOMITI EN.SOLUTIONS SRL	100.00%	5,916		-	5,916	-	-	-	5,916	5,916
NOVARETI SPA	100.00%	139,266	-	-	139,266	-	-	-	139,266	139,266
DOLOMITI EN.HYDRO POWER SRL	100.00%	4,500	-		4,500	-	-	-	4,500	4,500
DOLOMITI GNL SRL	100.00%	1,600	-	-	1,600	-	-	-	1,600	1,600
DOLOMITI AMBIENTE SRL	100.00%	16,010	-	-	16,010	-	-	-	16,010	16,010
GASDOTTI ALPINI SRL	100.00%	1,010	-	-	1,010	-	-	-	1,010	1,010
DOLOMITI ENERGIA WIND POWER SRL	100.00%	-	26,165	-	26,165	-	-	-	26,165	-
DOLOMITI EN.TRADING SPA	98.72%	13,334	-	-	13,334	-	-	-	13,334	13,334
DOLOMITI ENERGIA SPA	82.96%	32,619	-	-	32,619	-	-	-	32,619	32,619
S.E.T.DISTRIBUZIONE SPA	68.58%	85,800	-	-	85,800	-	-	-	85,800	85,800
DOLOMITI TRANSITION ASSET SRL	100.00%	7,128	3,652	-	10,780	-	-	-	10,780	7,128
HYDRO DOLOMITI ENERGIA SRL	60.00%	408,402	-	-	408,402	-	-	-	408,402	408,402
DEP.TRENTINO CENTRALE Sc.ar.l.	57.00%	6	(6)	-	-	-	-	-	-	6
DOLOMITI EDISON ENERGY SRL	51.00%	32,109	-	-	32,109	-	-	-	32,109	32,109
TOTAL SUBSIDIARIES		**747,700**	**29,811**	**-**	**777,511**	**-**	**-**	**-**	**777,511**	**747,700**
SF ENERGY SRL	50.00%	27,545	-	-	27,545	-	-	-	27,545	27,545
NEOGY SRL	50.00%	4,400	500	-	4,900	(4,400)	(500)	(4,900)	-	-
IVI GNL SRL	50.00%	580	-	-	580	-	-	-	580	580
GIUDICARIE GAS SPA	43.35%	839	-	-	839	-	-	-	839	839
EPQ SRL	33.00%	12,843	245	-	13,088	-	-	-	13,088	12,843
TECNODATA TRENTINA SRL	25.00%	413	-	-	413	-	-	-	413	413
BIOENERGIA TRENTINO SRL	24.90%	1,769	-	-	1,769	-	-	-	1,769	1,769
AGS SPA	20.00%	7,095	-	-	7,095	-	-	-	7,095	7,095
TOTAL ASSOCIATED COMPANIES AND JOINT VENTURES		**55,484**	**745**	**-**	**56,229**	**(4,400)**	**(500)**	**(4,900)**	**51,329**	**51,084**
PRIMIERO ENERGIA SPA	19.94%	4,614	-	-	4,614	-	-	-	4,614	4,614
INIZIATIVE BRESCIANE SPA	16.53%	17,659	-	-	17,659	-	-	-	17,659	17,659
SPREENTECH VENTURES SRL	12.05%	100	-	-	100	-	-	-	100	100
BIO ENERGIA FIEMME SPA	11.46%	785	-	-	785	-	-	-	785	785
CHERRYCHAIN SRL	9.84%	300		-	300	-	-	-	300	300
DISTR. TECN.TRENTINO Sc.ar.l.	2.76%	5	-	-	5	-	-	-	5	5
ISTITUTO ATESINO SVIL.SPA	0.32%	387	-	-	387	-	-	-	387	387
CONS.ASSINDUSTRIA ENERGIA	0%	1	-	-	1	-	-	-	1	1
CASSA RURALE ROVERETO	0%	-	-	-	-	-	-	-	-	-
TOTAL OTHER COMPANIES		**23,851**	**-**	**-**	**23,851**	**-**	**-**	**-**	**23,851**	**23,851**
TOTAL EQUITY INVESTMENTS		**827,035**	**30,556**	**-**	**857,591**	**(4,400)**	**(500)**	**(4,900)**	**852,691**	**822,635**

SUBSIDIARIES

DOLOMITI ENERGIA SOLUTIONS Srl – Trento. Fully paid-up Share Capital of 120,000 euro, divided into 120,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The company operates in the renewable energy, savings and energy efficiency sector, and is qualified for the design, construction and redevelopment of photovoltaic systems and public lighting systems. The financial year ended 31 December 2024 recorded a loss of 2,114,695 euro.

NOVARETI S.p.A. – Rovereto. Fully paid-up Share Capital of 28,500,000 euro, divided into 28,500,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The financial year ended 31 December 2024 recorded a profit of 8,999,907 euro. The company is engaged in the distribution of network services: gas, cogeneration, district heating and the fully integrated water cycle.

DOLOMITI ENERGIA HYDRO POWER Srl – Trento. Fully paid-up Share Capital of 100,000 euro, divided into 100,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The company operates in the hydroelectric sector, managing a number of power stations, as well as holding investments in companies that produce energy from renewable sources. The financial year ended 31 December 2024 recorded a profit of 741,619 euro.

DOLOMITI GNL Srl – Trento. Fully paid-up Share Capital of 600,000 euro, divided into 600,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The company is still in the development phase of LNG distribution infrastructure and, as at 31 December 2024, reported a loss of 110,045 euro.

DOLOMITI AMBIENTE Srl – Rovereto. Fully paid-up Share Capital of 2,000,000 euro, divided into 2,000,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The company operates in the waste services segment in the Trento, Rovereto and Vallagarina municipalities. As at 31 December 2024 it recorded a profit of 637,448 euro.

GASDOTTI ALPINI Srl – Rovereto. Fully paid-up Share Capital of 10,000 euro, divided into 10,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The company, established at the end of 2021 for the regional transport of natural gas, has not completed the authorisation process. As at 31 December 2024 it recorded a profit of 31,393 euro.

DOLOMITI ENERGIA RINNOVABILI Srl (formerly DOLOMITI ENERGIA WIND POWER Srl) – Trento. Fully paid-up Share Capital of 100,000 euro, divided into 100,000 shares of 1 euro each; Dolomiti Energia Holding holds 100% of the Share Capital. The company holds a 42.73% equity investment in Ecopuglia Srl, a company operating in the wind energy production sector. As at 31 December 2024 it recorded a profit of 509,994 euro.

DOLOMITI TRANSITION ASSETS Srl – Trento. Fully paid-up Share Capital of 1,000,000 euro, divided into 1,000,000 shares with a value of 1 euro each; Dolomiti Energia holds 100% of the Share Capital, equal to 1,000,000 shares and a nominal value of 1,000,000 euro, after recognising the interests of shareholders NPV Holding srl and Firefly Srl on 23 November 2023. The company, born from the partnership with EPQ srl, was established in 2021 to operate in the field of energy transition and sustainability. In 2024, the company acquired 100% of the share capital of Società Fondo Perla Srl and New Power Group Srl, the latter is controlling entity of Powertwo Srl, all companies that operate in the energy production from renewable sources. As at 31 December 2024, it recorded a profit of 255,330 euro.

EPQ Srl - Trento. Fully paid-up Share Capital of 100,000 euro, divided into 100,000 shares of 1 euro each; in 2024, Dolomiti Energia Holding acquired an additional 67% of the Share Capital, for an outlay of 50,051,297 euro, becoming 100% owner of the company. The company operates in the field of energy management and energy transition and closed the year as at 31 December 2024 with a profit of 9,197,576 euro. Dolomiti Energia Holding S.p.A., had a fairness opinion drawn up by a leading bank to confirm the purchase value.

HYDRO DOLOMITI ENERGIA Srl – Trento. Fully paid-up Share Capital of 3,000,000 euro, divided into 3,000,000 shares with a value of 1 euro each; in 2024, Dolomiti Energia Holding completed the purchase of an additional 40% of the shares previously held by Macquarie (for an outlay of 366,494,864 euro) and now holds 100% of the Share Capital equal to 3,000,000 shares with a nominal value of 3,000,000 euro. The company is a leader in Trentino in the production of energy from renewable sources, operating its own power stations and others under direct management. As at 31 December 2024, it recorded a profit of 277,447,776 euro.

DOLOMITI HYDRO STORAGE Srl – Trento. Fully paid-up Share Capital of 100,000 euro, divided into 100,000 shares of 1 euro each; the company was established on 20 November 2024 by Dolomiti Energia, which holds 100% of the share capital. The company operates in the hydroelectric sector and will close its first financial year on 31 December 2025.

DOLOMITI ENERGIA TRADING S.p.A. – Trento. Fully paid-up Share Capital of 2,478,429 euro, divided into 2,478,429 shares with a value of 1 euro each; Dolomiti Energia Holding holds 98.72% of the Share Capital, equal to 2,446,829 shares with a nominal value of 2,446,829 euro. The company is a Group wholesaler in charge of the wholesale marketing of electricity from renewable sources and natural gas. As at 31 December 2024 it recorded a profit of 83,552,983 euro.

DOLOMITI ENERGIA S.p.A. – Trento. Fully paid-up Share Capital of 20,440,936 euro, divided into 20,440,936 shares of 1 euro each; Dolomiti Energia Holding holds 82.89% of the Share Capital equal to 16,942,700 shares with a nominal value of 16,942,700 euro. In the first few months of 2023, the Shareholders' Meeting resolved to increase the share capital from 20,423,673 euro to 20,440,936 euro, fully released by the Municipality of Cavalese through contribution in kind of the electricity marketing business unit. Dolomiti Energia is the Group's commercial company, dedicated to providing the best energy, gas and other services to Italian households and businesses. The financial year ended 31 December 2024 recorded a profit of 41,780,500 euro.

SET DISTRIBUZIONE S.p.A. – Rovereto. Fully paid-up Share Capital of 121,973,694 euro, represented by 121,973,694 shares with a value of 1 euro each; Dolomiti Energia Holding holds 68.58% of the Share Capital, equal to 83,645,346 shares with a nominal value of 83,645,346 euro. In the first few months of 2023, the Shareholders' Meeting resolved to increase the share capital from 120,637,335 euro to 121,973,694 euro, fully released by the Municipalities of Palù del Fersina and Cavalese through contribution in kind of the electricity marketing business units. The financial year ended 31 December 2024 recorded a profit of 19,884,172 euro. The company is an electricity distributor in more than 160 municipal administrations in the Trento Autonomous Province, in which it is the concession holder.

DOLOMITI EDISON ENERGY Srl – Trento. Fully paid-up Share Capital of 5,000,000 euro, represented by 5,000,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 51% of the Share Capital, equal to 2,550,000 shares with a nominal value of 2,550,000 euro. The company, a joint venture between Dolomiti Energia and Edison, operates in the sector of electricity production from renewable sources in the province of Trento, through the management of five large hydroelectric plants; it closed the year as at 31 December 2024 with a profit of 3,877,923 euro.

ASSOCIATES AND JOINT VENTURES

SF ENERGY Srl – Bolzano. Fully paid-up Share Capital of 7,500,000 euro, represented by 7,500,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 50.00% of the Share Capital, equal to 3,750,000 shares with a nominal value of 3,750,000 euro. The company is the concession holder of the hydroelectric power plant of San Floriano (Egna).

NEOGY Srl – Bolzano. Fully paid-up Share Capital of 750,000 euro, represented by 750,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 50.00% of the Share Capital, equal to 375,000 shares with a nominal value of 375,000 euro. The company was established from the joint venture between Dolomiti Energia and Alperia in order to jointly promote electrical mobility and with the aim of organising a widespread recharging infrastructure in the territory to serve both private customers and companies. In this business expansion phase, during the year the company was recapitalised for 750 thousand euro. Analysing past losses and those of 2023, it was prudentially decided to fully write-down the residual value of the equity investment (750 thousand euro).

IVI GNL Srl – Santa Giusta Oristano. Fully paid-up Share Capital of 1,100,000 euro, divided into 1,100,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 50% of the Share Capital, equal to 550,000 shares with a nominal value of 550,000 euro. IVI GNL operates in the sector of gaseous fuels distribution and the construction of regasification and storage plants for liquid methane gas.

GIUDICARIE GAS S.p.A. – Tione di Trento. Fully paid-up Share Capital of 1,780,023 euro, represented by 36,327 shares with a value of 49 euro each; Dolomiti Energia Holding holds 43.35% of the Share Capital, equal to 15,746 shares with a nominal value of 771,554 euro. The Company provides the methane gas distribution service in the Valli Giudicarie District.

TECNODATA TRENTINA Srl – Trento. Fully paid-up Share Capital of 12,560 euro, represented by 12,560 shares with a value of 1 euro each; Dolomiti Energia Holding holds 25% of the Share Capital, equal to 3,140 shares with a nominal value of 3,140 euro. The company operates in the IT field of interconnection services.

BIOENERGIA TRENTINO Srl – San Michele All'Adige. Fully paid-up Share Capital of 3,000,000 euro, represented by 3,000,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 24.90% of the Share Capital, equal to 747,000 shares with a nominal value of 747,000 euro. The company was established with the aim of producing renewable energy by using biomass derived from waste.

ALTO GARDA SERVIZI S.p.A. – Riva del Garda. Fully paid-up Share Capital of 23,234,016 euro, represented by 446,808 shares with a value of 52 euro each; Dolomiti Energia Holding holds 20% of the Share Capital, equal to 89,362 shares with a nominal value of 4,646,824 euro. The company is the multiutility that manages the distribution of electricity, gas methane, drinking water and district heating in the Alto Garda and Ledro areas.

OTHER COMPANIES

PRIMIERO ENERGIA S.p.A. – Fiera di Primiero. Fully paid-up Share Capital of 9,938,990 euro, divided into 993,899 shares with a value of 10 euro each; Dolomiti Energia Holding holds 19.94% of the Share

Capital, equal to 198,177 shares with a nominal value of 1,981,770 euro. The company is engaged in the production of hydroelectric energy and manages several large hydroelectric plants in the Primiero valley.

INIZIATIVE BRESCIANE S.p.A. – Breno (BS). Fully paid-up Share Capital of 26,018,840 euro, divided into 5,203,768 shares with a value of 5 euro each; Dolomiti Energia Holding holds 16.53% of the Share Capital, equal to 859,993 shares with a nominal value of 4,299,965 euro. The company operates in the production of electricity from renewable sources, managing over forty hydroelectric plants located in Lombardy, Tuscany and Trentino-Alto Adige. The equity investment was prudentially written down in 2024 in consideration of the estimated impairment loss. The write-down was quantified as 2,265 thousand euro so as to bring the value per share in the portfolio to 17.9 euro, also in consideration of the valuation reports of leading banks.

SPREENTECH VENTURES Srl – Rovereto (TN). Fully paid-up Share Capital of 50,000 euro, divided into 50,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 12.05% of the Share Capital, equal to 6,024 shares with a nominal value of 6,024 euro. Established in April 2022, the company stems from a major Trento-based project of Polo Edilizia 4.0, with the task of constructing a state-of-the-art centre of excellence for the development of skills, offer of services and innovations to support businesses, managers and industries in the construction sector. On 4 April 2024, the extraordinary shareholders' meeting resolved a share capital increase of 1,000,000 euro and Dolomiti Energia Holding paid its 12.05% share of this amount (120,484 euro).

BIO ENERGIA FIEMME S.p.A. – Cavalese. Fully paid-up Share Capital of 7,058,964 euro, divided into 1,176,494 shares with a value of 6 euro each; Dolomiti Energia Holding holds 11.46% of the Share Capital, equal to 134,800 shares with a nominal value of 808,800 euro. The company operates in the district heating and circular energy fields, producing alternative energy and heat from fossil fuels, in addition to producing pellets from wood waste.

CHERRYCHAIN Srl – Pergine Valsugana. Fully paid-up Share Capital of 269,417 euro, represented by 269,417 shares with a value of 1 euro each; Dolomiti Energia Holding holds 9.84% of the Share Capital, equal to 26,500 shares with a nominal value of 26,500 euro. The company works in the ICT sector, mainly dealing with software development, digital identity management systems and regulatory compliance.

DISTRETTO TECNOLOGICO TRENTINO Soc. Cons. a r.l. – Rovereto. Fully paid-up Share Capital of 189,000 euro, represented by 189,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 2.76% of the Share Capital, equal to 5,221 shares with a nominal value of 5,221 EURO. The company is committed to environmental sustainability.

ISA – ISTITUTO ATESINO DI SVILUPPO S.p.A. – Trento. Fully paid-up Share Capital of 79,450,676 euro, represented by 79,450,676 shares with a unit value of 1 euro each; Dolomiti Energia Holding holds 0.32% of the Share capital equal to 252,653 shares with a nominal value of 252,653 euro. ISA is a holding company that participates in various companies in the environmental, insurance, banking, real estate and industrial energy segment.

CONSORZIO ASSINDUSTRIA ENERGIA TRENTO – Trento. Dolomiti Energia Holding holds an interest of 516 euro.

CASSA RURALE DI ROVERETO S.c.a.r.l. – Rovereto. Dolomiti Energia Holding holds an interest of 160 euro.

Pursuant to Article 2427, paragraph 5 of the Italian Civil Code, the following table summarises the main information relating to the investees:

Subsidiaries		Percentage owned
DOLOMITI ENERGIA SOLUTIONS	SRL	100.00%
NOVARETI	SPA	100.00%
DOLOMITI ENERGIA HYDRO POWER	SRL	100.00%
DOLOMITI GNL	SRL	100.00%
DOLOMITI AMBIENTE	SRL	100.00%
GASDOTTI ALPINI	SRL	100.00%
DOLOMITI ENERGIA WIND POWER	SRL	100.00%
DOLOMITI TRANSITION ASSETS	SRL	100.00%
EPQ	SRL	100.00%
HYDRO DOLOMITI ENERGIA	SRL	100.00%
DOLOMITI HYDRO STORAGE	SRL	100.00%
DOLOMITI ENERGIA TRADING	SPA	98.72%
DOLOMITI ENERGIA	SPA	82.89%
SET DISTRIBUZIONE	SPA	68.58%
DOLOMITI EDISON ENERGY	SRL	51.00%
TOTAL SUBSIDIARIES		
Associates and joint ventures		**Percentage owned**
SF ENERGY	SRL	50.00%
NEOGY	SRL	50.00%
IVI GNL	SRL	50.00%
GIUDICARIE GAS	SPA	43.35%
TECNODATA TRENTINA	SRL	25.00%
BIOENERGIA TRENTINO	SRL	24.90%
AGS	SPA	20.00%
TOTAL ASSOCIATED COMPANIES AND JOINT VENTURES		
Other companies		**Percentage owned**
PRIMIERO ENERGIA	SPA	19.94%
INIZIATIVE BRESCIANE SPA	SPA	16.53%
SPREENTECH VENTURES	SRL	12.05%
BIO ENERGIA FIEMME	SPA	11.46%
CHERRYCHAIN	SRL	9.84%
DISTRETTO TECNOLOGICO TRENTINO	SCARL	2.76%
ISTITUTO ATESINO SVILUPPO	SPA	0.32%
CONS.ASSINDUSTRIA ENERGIA	CONS.	0.00%
CASSA RURALE ROVERETO	SCARL	0.00%
TOTAL OTHER COMPANIES		

(*) The values of share capital, shareholders' equity and profit for the year relate to the year 2024, unlike the other associates and joint ventures for which the values shown relate to 2023.

	Registered office	Share Capital in 2024	Shareholders' equity 2024	Profit/(loss) for the year 2024	Cost	Actual amount
	Via Fersina 23 - 38123 Trento	120,000	6,053,043	(2,114,695)	5,915,576	5,915,576
	Via Manzoni 24 - 38068 Rovereto	28,500,000	359,396,033	8,999,907	139,266,500	139,266,500
	Via Fersina 23 - 38123 Trento	100,000	6,093,492	741,619	4,500,000	4,500,000
	Via Fersina 23 - 38123 Trento	600,000	455,939	(110,045)	1,600,000	1,600,000
	Via Manzoni 24 - 38068 Rovereto	2,000,000	26,661,198	637,448	16,010,000	16,010,000
	Via Manzoni 24 - 38068 Rovereto	10,000	1,000,054	31,393	1,010,000	1,010,000
	Via Fersina 23 - 38123 Trento	100,000	26,610,692	509,994	26,165,077	26,165,077
	Via Fersina 23 - 38123 Trento	1,000,000	11,365,914	255,330	10,779,667	10,779,667
	Via Fersina 23 - 38123 Trento	100,000	20,558,764	9,197,596	63,139,536	63,139,536
	Viale Trieste 43 - 38121 Trento	3,000,000	907,404,821	277,447,776	774,897,074	774,897,074
	Via Fersina 23 - 38123 Trento	100,000	100,000	-	100,000	100,000
	Via Fersina 23 - 38123 Trento	2,478,429	151,134,215	83,552,983	13,334,259	13,334,259
	Via Fersina 23 - 38123 Trento	20,440,936	128,858,539	41,780,500	32,619,062	32,619,062
	Via Manzoni 24 - 38068 Rovereto	**121,973,694**	**261,489,855**	**19,884,172**	**85,800,504**	**85,800,504**
	Via Fersina 23 - 38123 Trento	**5,000,000**	**55,927,359**	**3,877,923**	**32,108,741**	**32,108,741**
					1,207,245,996	**1,207,245,996**

	Registered office	Share Capital in 2023	Shareholders' equity 2023	Profit/(loss) for the year 2023	Cost	Actual amount
	Via Dodiciville 8 - 39100 Bolzano	7,500,000	19,384,817	389,487	27,545,000	27,545,000
	Via Dodiciville 8 - 39100 Bolzano	750,000	(508,979)	(1,400,741)	5,650,000	-
	Loc.Cirras - 09096 Santa Giusta OR	1,100,000	970,580	(28,802)	580,000	580,000
	Via Stenico 11 - 38079 Tione-Trento	1,780,023	3,510,980	96,945	838,789	838,789
	Via Romano Guardini 17 - 38121 Trento	12,560	597,882	28,423	413,539	413,539
	loc.Cadino 18/1 38010 S.Michele AA	3,000,000	9,789,409	(40,906)	1,768,935	1,768,935
	Via Ardaro 27 - 38066 Riva d.Garda	23,234,016	66,675,870	5,081,081	7,094,721	7,094,721
					43,890,984	**38,240,984**

	Registered office	Share Capital in 2023	Shareholders' equity 2023	Profit/(loss) for the year 2023	Cost	Actual amount
	Via Guadagnini 31 -38054 Fiera di Primiero	9,938,990	70,808,668	17,486,513	4,614,702	4,614,702
	Piazza Vittoria 19 - 25043 Breno BS	26,018,840	72,088,633	3,743,426	17,658,513	15,393,821
	Piazza Manifattura 1 - 38068 Rovereto	50,000	705,848	(86,354)	220,484	220,484
	Via Pillocco, 4 - 38033 Cavalese	7,058,964	16,691,926	1,482,827	784,639	784,639
	V.le Dante, 151 - 38057 Pergine Valsugana	269,417	933,761	(43,074)	300,000	300,000
	Piazza Manifattura 1 - 38068 Rovereto	189,000	1,325,203	347,377	5,000	5,000
	Viale A.Olivetti, 36 - 38122 Trento	79,450,676	161,577,322	24,441,995	387,200	387,200
	Via Degasperi 77 - 38123 Trento	-	-		516	516
	Via Manzoni 1 - 38068 Rovereto	-	-		160	160
					23,971,214	**21,706,522**

In the above table some qualified equity investments are recorded at a higher value than the percentage equity pertaining to Dolomiti Energia Holding. In this cases the Company reported no loss in value and deems that the higher value is due to expected future results for these investees. As regards SF Energy, in particular, this company manages hydroelectric energy production plants, through concessions with expiration dates sufficient to justify significant future cash flows.

With regard to EPQ Srl, note that an impairment test was carried out for the purpose of preparing the Group's consolidated financial statements.

In particular, for the CGU referring to energy services, the goodwill of which amounted to 63,342 thousand euro, the impairment test was based on the explicit cash flows stated in the 2025 budget and the 2026-2028 economic and financial situation prepared by management. The cash flow discount rate used (WACC), which reflects market valuations of the cost of money and the specific risks of the business sector, net of taxes, is equal to 9.5%, while the assumed growth rate is 0. The impairment test performed brought to light no impairment with reference to the amounts recognised in goodwill as at 31 December 2024 and, as a result, these assets were not written down. The difference between the value of the equity investment and the shareholders' equity of the subsidiary is justified by the future flows expected from operations of the newly acquired business.

With regard to the 100% equity investment in Hydro Dolomiti Energia Srl (HDE) and the 51% equity investment in Dolomiti Edison Energy (DEE), companies that operate large-scale diversionary hydroelectric power plants located mainly in the Trento Autonomous Province under concessions, most of which will expire in the next few years, the following is a summary of the regulatory framework governing concessions for large-scale diversionary power plants.

Depreciable amount of certain elements of the provincial hydroelectric supply chain as a result of various sector regulations

Italian Law No. 205 of 27 December 2017 "State forecast budget for financial year 2018 and multi-year budget for the 2018-2020 three-year period" in Article 1, Paragraphs 832 and 833 replaced Article 13 of the Consolidated Law per Italian Presidential Decree No. 670 of 31 August 1972 and in short it assigned to the provinces of Trento and Bolzano the authority to regulate with their own laws "the methods and procedures for the assignment of concessions for large water diversions for hydroelectric purposes, establishing in particular procedural rules for the conduct of tenders, the terms for calling such tenders, the admission and award criteria, the financial, organisational and technical requirements of the participants".

Said law also provided as follows:

a) the concessions of large diversions in the provinces of Trento and Bolzano, with expiration date prior to 31 December 2022, are extended de jure for the period useful to complete the public disclosure procedures and in any case not beyond the aforesaid date;

b) to the concessionaire who, at its own expense, made investments on the "wet works" (penstocks, collection and regulation works, discharge channels) shall be recognise, at the expiry of the concession, an indemnity equal to the value of the part of asset that is not depreciated, according to criteria that shall be set forth in a provincial law.

Subsequently, with the entry into effect of Italian Law No. 160 of 27 December 2019 "State forecast budget for financial year 2020 and multi-year budget for the 2020-2022 three-year period" - ref. Articles 76 and 77 - Article 13 of the consolidated text per Italian Presidential Decree No. 670 of 31 August 1972 was amended once again; more specifically, the words "31 December 2022" were replaced by the following: "31 December 2023" and following the words "the aforementioned date" the following was added: "and exercised up to that date under the conditions established by the Provincial laws and rules and regulations of the concession in place at the date of their expiry".

On 21 October 2020, Provincial Law No. 9 was approved, which, by modifying Provincial Law No. 4/1998, regulated the procedural rules for the holding of competitions and therefore implemented the provisions of Art. 13 of Italian Presidential Decree No. 670 of 31 August 1972.

In November and December 2020, the Water and Energy Resources Management Department of the Autonomous Province of Trent notified the extension by right of the thirteen large hydroelectric concessions held by HDE "for the period needed to complete the public bidding process and, in any case, not later than 31 December 2023, pursuant to Article 13 of Italian Presidential Decree No. 670 of 31 August 1972 and Provincial Law No. 4 of 6 March 1998".

In the light of the above and in consideration of the further postponement of the 31 December 2023 deadline to 31 December 2024 due to the regulations introduced in 2022 as described below, the subsidiaries Hydro Dolomiti Energia Srl and Dolomiti Edison Energy Srl arranged depreciation remodelling of the assets subject to reversion free of charge in 2022.

The precept set out in point b) above has been set out, though not exhaustively regulated, in Article 26-quater of the updated Provincial Law No. 4/1998; this Article states that the outgoing concession holder is entitled to an indemnity equal to the value of the part of the asset which has not been depreciated under the following conditions:

I. exclusively in reference to investments on the assets referred to in the first paragraph of Article 25 of Italian Royal Decree No. 1775 of 1933, also provided for by the acts of concession, subject to authorisation of the Province, provided that the increase in the overall producibility of the plant or its modulating capacity or the overall efficiency of the same is achieved;

II. the concession holder has entrusted the works, supplies and services undertaken in order to carry out the investments on the assets in compliance with the public evidence procedures provided for by the legislation on public contracts.

In consideration of the absence of investments held by Hydro Dolomiti Energia Srl and Dolomiti Edison Energy Srl with the characteristics referred to in point I. above and given the failure to define the indemnity calculation method, which Provincial Law 4/1998 entrusted to a specific Council Resolution, the assumption of zeroing the net book value of "wet works" at the end of the concession has been confirmed.

Further salient elements contained in the aforementioned Provincial Law No. 9 of 21 October 2020 are as follows:

- with regard to the method used to evaluate so-called "dry" works (basically, hydroelectric power plants and their contents), the criterion set forth in paragraph 2 of Article 25 of Italian Royal Decree No. 1775 of 11 December 1933 is reiterated, contrary to what is established by the national legislation, "*price equal to the estimated value of the material being worked, calculated at the time of entry into possession, not considering the income that can be made from it from any measurement*";

- the assets referred to in the preceding point may be acquired by the Autonomous Province of Trento; otherwise, the assets may be acquired by the incoming concession holder, if the latter provides for their use when submitting its bid; the provincial law therefore also establishes the concept of "cherry picking", i.e. the right given to the incoming concession holder not to acquire all or part of the dry assets, without the consequent obligation to pay compensation to the transferor. Any assets not transferred will therefore remain fully available to the transferor, which can freely dispose of them, also through sale to third parties other than the incoming concession holder;
- in the context of verifying the existence of interests in the competing use of water, which is a preliminary act with respect to the tender procedures, special consideration will be given to initiatives involving "*positive effects on the territory and the community generated also by the historical electric cooperatives*" referring to the case of self-production;
- the subject of the call for tender (concession and its characteristics) will be defined through an Environmental Impact Assessment procedure that will have as its initial reference the current concessions, possibly aggregated or, in some cases, unbundled, pre-restricted following the assessment of the existence of competing use interests referred to in the previous point;
- in accordance with the provisions of national law, concessions may be awarded through the use of one of the following methods:
    - o running of a public procurement procedure;
    - o assignment to mixed public-private companies established in accordance with the provisions of the same law;
    - o through forms of public-private partnership, pursuant to Article 179 of Italian Legislative Decree No. 50 of 18 April 2016 (Public Contracts Code);
- the contents of the call for tender are defined as well as the requirements of the participants, part of which will be calibrated on the basis of the characteristics of the specific concession.

On 18 December 2020, the Council of Ministers ordered that Provincial Law No. 9 of 21 October 2020 be challenged in the Constitutional Court, with subsequent appeal No. 140 of 24 December 2020, in the same way as it had already been ordered for similar regulations of the Lombardy, Veneto and Piedmont Regions.

Against this challenge, Trento Autonomous Province, by means of two subsequent legislative measures, Provincial Law No. 6 of 23 April 2021 and Provincial Law No. 18 of 04 August 2021, amended the reference standard to incorporate the content of the aforementioned appeal.

The same legislative measures introduced important innovations also and above all with regard to the regulations governing concessions for small hydroelectric diversions, significantly modifying Provincial Law No. 18 of 8 July 1976 introducing ex novo the provision of a tender also for these concessions on their natural expiry, postponing the rules to a subsequent regulation.

The regulation was approved on 20 October 2023 by Provincial Council Resolution No. 2057, and issued by Italian Presidential Decree No. 28-104 of 27 October 2023, despite the tougher and known significance of Constitutional Court decision No. 265 of 10 November 2022 which, in relation to assessment of the constitutional nature of the extensions introduced by Friuli Venezia Giulia Regional Law 13/2021, expressed its opinion in favour, confirming that the specific case of the Public Contracts Code was inapplicable and emphasising that the current state regulatory framework on small hydroelectric diversion concessions, dating back to Royal Decree No. 1775/1933, is in no manner whatsoever inspired by competitive needs.

Again with specific regard to small hydroelectric diversions, on 4 August 2023 Provincial Council Resolution No. 1386 established criteria that allow direct reassignment to the outgoing concession holder, essentially consisting in the need/possibility to confirm subjugation of the plants under concession to self-consumption or powering of Energy Communities, production and distribution cooperatives or groups acting in concert.

Returning to the context of large diversion concessions, despite the dismissal (in September 2021) of infringement proceedings 2011/2016 relating to Italy, together with similar proceedings against Germany, the United Kingdom, Poland, Austria and Switzerland, on 2 August 2022 the Italian Parliament, in compliance with NRRP provisions (prepared and approved prior to the aforementioned dismissal), approved Italia Law 118/2022 (2021 Annual Market and Competition Law). Art. 7 of this law introduced remodelling and postponement of the deadlines granted by the Regional Authorities for completion of related legislative activities (31 December 2023) and for conclusion of the reassignment procedures (31 December 2025). Art. 7, paragraph 2 of the law amended Art. 13, paragraph 6 of Italian Presidential Decree No. 670 of 31 August 1972, confirming the extension to 31 December 2024 of concessions already expired under Law 34/2022 and dynamically linking this new deadline to a subsequent deadline which could be defined at national level ("*or later date decided by the State for similar large hydroelectric diversion concessions located in Italy*").

On 30 November 2022, the Provincial Council approved Law No. 16/2022 (in force from 9 December 2022) which, amending Provincial Law No. 4/98, envisages deferral from 2024 to 2029 of the deadline for conclusion of the reassignment procedures for large hydroelectric plant concessions due to expire by 31 December 2024. The aim of this Provincial Law is to mitigate the negative effects of the energy crisis in the short and long terms. The measure introduces the option for concession holders to submit a business plan to the Provincial Administration for increasing the efficiency, resilience, accumulation capacity, as well as the capacity and energy performances of existing plants. At the same time, a new variable charge was added to support energy consumption costs within the province.

On 2 February 2023, the Italian Council of Ministers challenged the above-described Provincial Law before the Constitutional Court. In 2023, the Provincial and State Authorities set up a discussion group to solve the dispute brought before the Constitutional Court. As a result, based on the joint petition, the first hearing scheduled for October 2023 was adjourned to May 2024 then again in 2024 to a date not yet established.

Nevertheless, with Resolution no. 1658 of 18 October 2024, the Council of the Autonomous Province of Trento revised the deadline for major hydroelectric water diversion concessions. This was achieved through an administrative interpretation of Article 13, paragraph 6 of Italian Presidential Decree 670/1972, establishing, for each large diversion within the province, the "later date set by the State for similar large hydroelectric diversion concessions across Italy." This adjustment serves as a basis for updating and effectively replacing the existing concession deadlines. This process, for a series of "former Enel" large diversion concessions, led to redefinition of the previous deadline of 31 December 2024 to a new deadline of 31 March 2029, the date envisaged in Italian Legislative Decree 79/99 ("Bersani Decree") for concessions currently held by Enel.

Although this is effectively an "extension of rights", it is worth specifying and clarifying that the new deadlines shall be considered "final", as the extension will be valid "only for the time necessary to finalise the reassignment procedures", which consequently are not halted by the measure but, rather, extended over a period of time which cannot, in any event, exceed the new deadlines established.

The new scenario, the effects of which are strictly local, i.e., limited to the Autonomous Provinces of Trento and Bolzano, provides a de facto solution to the stalemate situation that had blocked the launch of the planned procedure for "extension to 2029 through submission of a Business Plan" pursuant to Italian Provincial Law 16/2022.

In 2024, preparation of the Concession Termination Report (RFC or Rapporto di Fine Concessione) for plants associated with the concessions therefore continued. The completion of these procedures will allow the Province of Trento contracting authority to activate the concession reassignment process.

As a result of postponement of the deadline, in 2024 HDE and DEE again arranged depreciation remodelling of the assets subject to reversion free of charge.

At national level, the action of contracting authorities in 2024 was confused and uncoordinated. Despite the Regional regulations in force, national law envisaged and still envisages 31 December 2023 as the deadline, now passed, for the launch of the reassignment procedures. As far as we are aware, only the Lombardy and Abruzzo Region Administrations acted in compliance with the law, the first issuing Regional Council resolution on 18 December 2023 that launched tenders for the reassignment of two concessions with subsequent tenders in April 2024, and the second, issuing Regional Agency Decision for the Contracting Authority on 31 December 2023 that launched a tender for three concessions, later cancelled in March 2024 by the Regional Agency following announcement by the relevant Italian Ministry of a review of the entire regional regulatory system. Lastly, in 2024 there were no developments in the public-private partnership proposal submitted in 2023 by the outgoing concession holder in relation to 6 concessions in the Piedmont Region, despite the feasibility study for the proposal having assessed positively that same year.

8.5 NON-CURRENT FINANCIAL ASSETS

The "Non-current financial assets" item as at 31 December 2024 and 31 December 2023 is detailed as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Financial receivables from associates	9,000	8,000	1,000
IRS derivatives	2,089	3,439	(1,350)
TOTALE	11,089	11,439	-350

The "Non-current financial assets" item includes the real estate fund Clesio (net carrying amount of zero), with an original historical cost of 15,678 thousand euro, deriving from the subscription of 322 units of the Clesio real estate fund, of which 101 units received by way of dividend in kind from Urbin S.p.A. for 5,512 thousand euro in 2008 and 221 units purchased during 2011 for 10,166 thousand euro after the liquidation of the same company. In previous years, the Company decided to fully write down the residual amount of the units, on a prudential basis due to the very poor performance of the property market and the difficulty in liquidating the Fund units.

In 2021, the Company signed a long-term financing plan in favour of the associate SF Energy for a maximum financing amount of 15,000 thousand euro, with interest at market rates and payable in multiple instalments by 31 December 2026. The shareholder loan must be repaid no later than 31 December 2040, with the option of early repayment. At the end of 2024, Dolomiti Energia Holding had receivable for a total of 9,000 thousand euro (8,000 thousand euro as at 31 December 2023).

The Company entered into derivative contracts (IRS) to hedge exposure to the fluctuations in cash flows deriving from the payment of instalments on a variable-rate loan. The fair value of derivatives as at 31 December 2024 was positive for 2,089 thousand euro (positive for 3,439 thousand euro as at 31 December 2023), and is recognised under non-current financial assets as a balancing entry for a specific equity reserve.

8.6 DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities as at 31 December 2024 and 31 December 2023 are broken down by type of temporary differences as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Property, plant and equipment	335	337	(2)
Provision for write-downs	114	114	-
Production bonuses	509	334	175
Provisions for risks and charges	65	19	46
Non-deductible interest expense	926	926	-
Real estate fund write-down	3.763	3.763	-
Charitable donations	44	-	
Other	21	10	11
Employee termination and other benefits	186	189	(3)
IFRS 16	94	125	(31)
TOTAL DEFERRED TAX ASSETS	**6.057**	**5.817**	**196**
Property, plant and equipment	51	53	(2)
Provision for write-downs	57	57	-
Fair value of derivatives	595	979	(384)
TOTAL DEFERRED TAX LIABILITIES	**703**	**1.089**	**(386)**

The following table highlights changes in deferred tax assets and liabilities, divided by type of temporary differences, determined based on tax rates envisaged by regulations in force.

(in thousands of Euro)

	as at 31/12/2023	Increases/ (Decreases) in Income Statement	Increases/ (Decreases) in Shareholders' Equity	Other changes in Income Statement	Other changes in Shareholders' Equity	as at 31/12/2024
DEFERRED TAX ASSETS:						
Property, plant and equipment	**337**	(2)	-	-	-	**335**
Provision for write-downs	**114**	-	-	-	-	**114**
Production bonuses	**334**	175	-	-	-	**509**
Provisions for risks and charges	**19**	46	-	-	-	**65**
Non-deductible interest expense	**926**	-	-	-	-	**926**
Real estate fund write-down	**3,763**	-	-	-	-	**3,763**
Charitable donations	**-**	44	-	-	-	**44**
Other	**10**	11	-	-	-	**21**
Employee termination and other benefits	**189**	11	(14)	-	-	**186**
IFRS16	**125**	(31)		-	-	**94**
TOTAL DEFERRED TAX ASSETS	**5,817**	**254**	**(14)**	**-**	**-**	**6,057**
DEFERRED TAX LIABILITIES:						
Property, plant and equipment	**53**	(2)	-	-	-	**51**
Provision for write-downs	**57**	-	-	-	-	**57**
Fair value of derivatives	**979**	-	(384)	-	-	**595**
TOTAL DEFERRED TAX LIABILITIES	**1,089**	**(2)**	**(384)**	**-**	**-**	**703**

8.7 OTHER NON-CURRENT ASSETS

The "Other non-current assets" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)

	AS AT 31 DECEMBER		
	2024	**2023**	**change**
Other assets	1,217	2,253	(1036)
TOTAL	**1,217**	**2,253**	**(1036)**

The "other non-current receivables" item includes ecobonus tax credits for 959 thousand euro, purchased by the subsidiary Dolomiti Energia Solutions and which will be used in the coming years. The item also includes guarantee deposits paid to suppliers (71 thousand euro), portions of deferred income for multi-year SW licence fees (149 thousand euro) and other multi-year receivables (38 thousand euro).

8.8 INVENTORIES

The "Inventories" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Raw materials and consumables	0	5	(5)
TOTAL	0	5	(5)

Inventories of raw materials at the end of 2023 referred to stocks of meters and other materials (5 thousand euro) purchased by the Parent Company for the subsidiaries. Note that as at 31 December 2024 there were no inventories in stock.

8.9 TRADE RECEIVABLES

The "Trade receivables" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Receivables from customers	2,963	2,176	787
Receivables from subsidiaries	9,830	8,982	848
Receivables from associates	42	27	15
Receivables from parent companies	26	96	(70)
Provision for write-downs	(640)	(640)	-
TOTAL	12,221	10,641	1,580

The "trade receivables" item, shown net of the related provision for write-downs, mainly includes receivables from customers deriving from the sale of energy produced and from the invoiced chemical analysis laboratory services.

Receivables from subsidiaries include receivables for general services provided by the Company as defined in the Report on Operations, to which reference is made for a more in-depth description of the dealings between related parties.

The adjustment criteria of receivables at the estimated realisable value take account of different valuations based on the status of the dispute if any.

During the year, the provision for write-downs was used for 390 euro. The changes for 2023 and 2024 are shown below.

(in thousands of Euro)

	Provision for write-downs
AS AT 1 JANUARY 2023	**641**
Provisions/Uses	(1)
AS AT 31 DECEMBER 2023	**640**
Provisions/Uses	-
AS AT 31 DECEMBER 2024	**640**

8.10 INCOME TAX CREDITS

The "Income tax credits" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)

	AS AT 31 DECEMBER		
	2024	2023	change
IRES credit (corporate tax)	0	0	(0)
TOTAL	**0**	**0**	**(0)**

The Group IRES receivable as at 31 December 2024, determined in application of the tax consolidation agreement, was zero (zero in the previous year).

The table hereunder shows the income tax payable as at 31 December 2024 and 2023:

(in thousands of Euro)

	AS AT 31 DECEMBER		
	2024	2023	change
IRES	69,704	41,041	(28,663)
TOTAL INCOME TAX PAYABLES	**69,704**	**41,041**	**(28,663)**

The IRES payable represents the balance of the Group's entire management of the tax consolidation scheme.

8.11 CURRENT FINANCIAL ASSETS

The "Current financial assets" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Financial assets - subsidiaries	117.515	229.774	(112.259)
Financial assets - associates	9.343	22.348	(13.005)
Financial assets - other	30.000	-	30.000
TOTAL	156.858	252.122	(95.264)

Financial receivables from subsidiaries include receivables for cash pooling and related interest for 116,233 thousand euro as at 31 December 2024 (228,405 thousand euro at the end of the previous year). The Parent Company also recognises other receivables for sureties and commissions for making funds available to subsidiaries for 1,283 thousand euro as at 31 December 2024 (1,369 thousand euro as at 31 December 2023). The receivable relating to associates includes receivables for a shareholder loan granted to IVI Gnl for a nominal amount of 110 thousand euro (110 thousand euro as at 31 December 2023), repayable in the short term, and an interest-bearing shareholder loan granted to Neogy for a nominal value of 9,000 thousand euro (5,000 thousand euro at the end of the previous year). Financial assets - other included a restricted interest-bearing time deposit 10/12/2024-13/01/2025 held with Intesa Sanpaolo for 30,000 thousand euro.

8.12 OTHER CURRENT ASSETS

The "Other current assets" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
VAT credit	9,503	4,749	4,754
Prepayments and accrued income	2,496	1,420	1,076
Other receivables	189	245	(56)
Miscellaneous tax credits	16	46	(30)
Investment bonus tax credits	15	47	(32)
Ecobonus tax credits	558	279	279
Renewable source certificates	109	-	109
Advances/Deposits	82	49	33
Receivables from subsidiaries	70,507	34,616	35,891
TOTAL OTHER CURRENT ASSETS	83,475	41,451	42,024

The VAT credit is the year-end balance of the centralised management of Group VAT, up compared to 31 December 2023.

Prepayments and accrued income mainly include software fees paid in advance and charges for guarantee policies.

Receivables from subsidiaries, totalling 70,507 thousand euro, represent the receivables deriving from application of the tax consolidation agreement (34,616 thousand euro at the end of 2023) and are due from subsidiaries recording an IRES tax payable as at 31 December 2024.

TAX CONSOLIDATION SCHEME

Detailed below are the main characteristics of the contract governing relations between Dolomiti Energia Holding and its subsidiaries as part of the "national tax consolidation scheme" (SET Distribuzione, Novareti, Dolomiti Energia, Dolomiti Energia Solutions, Dolomiti Energia Trading, Hydro Dolomiti Energia, Dolomiti Edison Energy, Dolomiti GNL and Dolomiti Transition Asset):

- term of transaction: three years (tacitly renewable);
- transfer of taxable income: if the consolidated company records positive taxable income, it must pay the tax to the consolidating company with a settlement date no later than the deadline for payments to the tax authorities;
- transfer of tax losses: if a negative taxable income is recorded (tax loss), the consolidating company agrees to recognise a final amount equal to the amount of the loss less 3% for discounting purposes.
- transfer of surplus in A.C.E.: in the event of a surplus of A.C.E., and if the Group requires it, the consolidating company undertakes to grant a remuneration equal to the IRES tax rate in force, multiplied by the transferred ACE amount, deducted 3% for discounting.

8.13 CASH AND CASH EQUIVALENTS

The "Cash and cash equivalents" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	***as at 31 December***		
	2024	**2023**	**change**
Bank and postal current accounts	134,775	27,761	107,014
Cash on hand	8	3	5
TOTAL CASH AND CASH EQUIVALENTS	**134,783**	**27,764**	**107,019**

Bank deposits include 100 million euro in time deposits, readily convertible into cash.

8.14 SHAREHOLDERS' EQUITY

Changes in equity reserves is shown in the tables of these financial statements for the year.

As at 31 December 2024, the Company's share capital amounted to 411,496,169 euro and comprised 411,496,169 ordinary shares, with a nominal value of 1 euro each.

The Shareholders' Equity is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Share capital	411,496	411,496	-
Legal reserve	43,505	42,073	1,432
Share premium reserve	994	994	-
Treasury shares reserve	(53,515)	(53,515)	-
OTHER RESERVES AND RETAINED EARNINGS			
Revaluation reserve	1,128	1,128	-
Contributions reserve	13,177	13,177	-
Extraordinary reserve	75,924	94,931	(19,007)
Deferred tax reserve	19,437	19,437	-
Merger surplus from share swap reserve	33,866	33,866	-
Reserve for retained earnings and losses carried forward	6,176	6,176	-
Reserve - IAS 19	(83)	(133)	50
Reserve for hedges on expected cash flows	1,494	2,460	(966)
OTHER RESERVES	**151,119**	**171,042**	**(19,923)**
Net profit/(loss) for the year	71,962	28,640	43,322
TOTAL SHAREHOLDERS' EQUITY	**625,561**	**600,730**	**24,831**

The Revaluation reserve was set up following the merger by incorporation of the former companies SIT S.p.A. and A.S.M. S.p.A.; this reserve is subject to tax deferment.

The Contributions reserve was set up by resolution of the Shareholders' Meeting and refers to the transfer of business activities to Dolomiti Energia S.p.A. (former Trenta S.p.A.).

The Deferred tax reserve reflects the positions below:

Deferred tax reserve

	Balance as at 31 December 2024
Pre-1993 contributions reserve - water	2,734
Pre-1993 contributions reserve - gas	9,602
Pre-1993 contributions reserve - Reg. Laws	30
Pre-1993 contributions reserve - alt. sources	5
Pre-1993 contributions reserve – substation meter reading	51
PRE-1993 CONTRIBUTIONS RESERVES	**12,422**
POST-1993 CONTRIBUTIONS RESERVES	**7,015**
TOTAL DEFERRED TAX RESERVE	**19,437**

The merger surplus reserve derives from the merger by absorption of Dolomiti Energia into Trentino Servizi (now Dolomiti Energia Holding), the subsequent elimination of the investment previously held by Trentino Servizi in Dolomiti Energia Holding (elimination surplus), and the overlap between the increase in Minority interest capital and their portion of shareholders' equity (share swap surplus) generated the following "Reserves":

- Elimination surplus of 4,271,946 euro (*)
- Swap surplus of 34,092,454 euro

(*) the merger elimination surplus reserve was distributed in 2009. In the same year, a portion of the share swap surplus reserve was distributed for 227 thousand euro.

The table below analyses Shareholders' Equity in terms of availability and distribution options for re-serves.

(in thousands of Euro)

	31/12/2024	Possibility of use (*)	Available portion	Usage summary for past three years	
				TO COVER LOSSES	FOR OTHER REASONS
I) SHARE CAPITAL	**411,496**				
EQUITY RESERVES					
Share premium reserve	994	A,B	994	-	-
Revaluation reserves	1,128	A,B,C	1,128	-	-
Merger surplus from share swap/elimination reserve	33,866	A,B	33,866	-	-
Reserve for hedges on expected cash flows	1,494	-	-		
PROFIT RESERVES					
Legal reserve	43,505	B	-	-	-
Statutory reserves	-		-	-	-
Treasury shares reserve	(53,515)	-	-	-	-
Contributions reserve	13,177	A,B,C	13,177	-	-
Extraordinary reserve	75,924	A,B,C	75,924	-	-
Deferred tax reserve	19,437	A,B,C	19,437	-	-
Retained earnings or losses carried forward	6,176	A,B,C	6,176		
Reserve - IAS 19	(83)				
TOTAL	**553,599**		**150,702**	**-**	**-**
NON-DISTRIBUTABLE PORTION			**(34,860)**		
RESIDUAL DISTRIBUTABLE PORTION			**115,842**		

* A: for share capital increase
* B: to cover losses
* C: for distribution to shareholders

Pursuant to Article 2431 of the Italian Civil Code, the "Share premium reserve" can be distributed only if the legal reserve has reached the limit established by Article 2430 of the Italian Civil Code. Likewise, the portion resulting from share swaps of the merger surplus reserve is considered similar to the share premium reserve, and is therefore not distributable until the legal reserve has reached the limit of one fifth of the share capital.

The Revaluation reserve and Deferred tax reserve, if distributed, would lead to the payment of related taxes.

8.15 PROVISIONS FOR NON-CURRENT AND CURRENT RISKS AND CHARGES

The "Provisions for non-current risks and charges" and "Provisions for current risks and charges" items as at 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Provision for plant risks	68	68	-
Provisions for IMIS local property tax risks	334	-	334
Provision for LTI bonus risks	84	-	84
TOTAL PROVISION FOR NON-CURRENT RISKS	**486**	**68**	**418**

The provision for risks as at 31 December 2024 amounted to 486 thousand euro, increasing by 334 thousand euro for future payment requests in relation to IMIS tax assessments relating to the new property registry income of the San Colombano plant and for 84 thousand euro for the LTI performance bonus which will be paid in 2027, following the verification of continued service in the Group. The amount was allocated to cover the cost of divesting thermoelectric power plants (68 thousand euro), which even if written down, could generate additional disposal costs, and remained unchanged compared to the previous year.

The "**Provisions for current risks and charges**" item amounted to 1,766 thousand euro as at 31 December 2024 and is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Provision for performance bonus	1,766	1,184	582
TOTAL PROVISION FOR CURRENT RISKS	**1,766**	**1,184**	**582**

The provision for performance bonus includes the estimated liability for employee performance bonuses, to be paid in 2025 on the basis of the final results for 2024 (1,766 thousand euro). The provision as at 31 December 2023 was used after the final balance of the previous year's results was calculated for 1,551 thousand euro; the excess (367 thousand euro) was recognised under contingent liabilities in the income statement.

8.16 EMPLOYEE BENEFITS

The "Employee benefits" item as at 31 December 2024 included 1,624 thousand euro related to the Provision for employee termination benefits and 640 thousand euro related to other employee benefits.

Other benefits include additional monthly wages for achieved age limits or for accrued right to pension, loyalty bonuses and golden medals for the achievement of determined age requirement in the company.

Changes in the Provision for employee termination benefits and other employee benefits as at 31 December 2024 and 31 December 2023, are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER 2024					
	Employee termination benefits	Loyalty bonuses	Additional monthly wages	Energy discounts	Medals	Total
LIABILITIES AT BEGINNING OF THE YEAR	**1,685**	**319**	**241**	**-**	**94**	**2,339**
Current cost of service	-	23	7	-	8	37
Interest to be discounted	50	10	5	-	3	68
Benefits paid	(127)	(35)	(24)	-	(11)	(197)
Actuarial loss/(profit)	(43)	(21)	(2)	-	2	(65)
Transfers	59	19	-	-	2	81
Other changes	13	-	-	-	-	13
LIABILITIES AT END OF THE YEAR	**1,637**	**315**	**227**	**-**	**98**	**2,276**

(in thousands of Euro)	AS AT 31 DECEMBER 2023					
	Employee termination benefits	Loyalty bonuses	Additional monthly wages	Energy discounts	Medals	Total
LIABILITIES AT BEGINNING OF THE YEAR	**1,673**	**300**	**230**	**98**	**84**	**2,385**
Current cost of service	-	19	7	-	6	33
Interest to be discounted	59	11	5	-	3	79
Benefits paid	(85)	(23)	(19)	(98)	(9)	(233)
Actuarial loss/(profit)	12	2	17	(211)	8	(172)
Transfers	25	10	-	-	2	37
Other changes	-	-	-	211	-	211
LIABILITIES AT END OF THE YEAR	**1,685**	**319**	**241**	**-**	**94**	**2,339**

The assumptions used for actuarial measurements are shown hereunder:

	AS AT 31 DECEMBER
	2024
Technical annual discount rate	3.38% - 3.18%. 2.93%
Annual inflation rate	2.00%
Annual rate of total compensation increase	3.00%
Rate of increase in employee termination benefits	3.00%

A sensitivity analysis, as at 31 December 2024, related to the main actuarial assumptions included in the calculation model is shown hereunder, considering the 0.5 baseline scenario described above and increasing and decreasing the annual average discount rate, the average inflation rate and the *turnover* rate. The results obtained can be summarised in the following table:

(in thousands of Euro)	AS AT 31 DECEMBER 2024					
	Discount rate +0.50%	Discount rate -0.50%	Inflation rate +0.25%	Inflation rate -0.25%	Turnover rate +2.00%	Turnover rate -0.50%
Employee termination benefits	1,573	1,676	1,638	1,609	1,632	1,621

8.17 FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT)

The table hereunder shows current and non-current financial liabilities as at 31 December 2024 and 2023:

(in thousands of Euro)	AS AT 31 DECEMBER					
	2024		2023		change	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Payables due to banks	303,359	152,083	88,400	164,584	214,959	(12,501)
Bond loans	-	5,052	-	5,052	-	-
IRS derivatives	-	-	-	-	-	-
Payables for cash pooling to subsidiaries	541,792	-	337,319	-	204,473	-
Payables due to other lenders	700	1,908	616	1,617	84	291
Other financial payables	4,311	-	2,837	-	1,474	-
TOTAL	850,162	159,043	429,172	171,253	420,990	(12,210)

As at 31 December 2024, payables due to banks include two loans with the following characteristics:

- the loan disbursed in 2016 by the European Investment Bank (EIB) for a nominal amount of 100,000 thousand euro, maturing in 2032 and with a residual value as at 31 December 2024 of 64,583 thousand euro (72,917 thousand euro at the end of the previous year). The contract envisages the payment of quarterly deferred floating rate instalments; to hedge interest rate risk, the Company has entered into IRS derivative contracts for an original notional value of 100,000 thousand euro, the fair value of which as at 31 December 2024 was positive for 2,089 thousand euro (note 8.5);
- the loan disbursed in 2021 by the European Investment Bank (EIB) for a nominal amount of 100,000 thousand euro, maturing in 2037 and with a residual value as at 31 December 2024 of 100,000 thousand euro (unchanged compared to the end of the previous year). The contract envisages the payment of quarterly deferred fixed-rate instalments, the first of which due on 30 June 2025 and the last on 31 March 2037;

The two EIB loans indicated above envisage, as usual for financial transactions of this kind, a series of commitments borne by the Company ("Covenants") and a series of limitations on the possibility of carrying out certain transactions, if not in compliance with certain financial parameters or specific exceptions provided for in the respective contracts. Specifically, in fact, there are certain limitations on the assumption of financial debt, the carrying out of certain investments and disposals of assets and corporate activities.

The last audit carried out confirmed that all covenants were satisfied.

Accounts payable to banks also include current account overdrafts and/or short-term loans for 290,000 thousand euro.

BOND LOAN

The outstanding Bond Loan has a residual amount of 5,052 thousand euro; on 27 July 2021, the amendment to the loan regulation was decided, envisaging the name change (Dolomiti Energia Holding Spa - Subordinato - tasso variabile 2010 – 2029) and determination of the new maturity date as 1 August 2029.

As at 31 December 2024 and 31 December 2023, the Company had the following bond loans in place:

Bond loans

(in thousands of Euro) AS AT 31 DECEMBER 2024

					Accounting balance			
	COMPANY	TAKING OUT	MATURITY	OPENING BALANCE	TOTAL	WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BEYOND 5 YEARS
Fondazione CARITRO	Dolomiti Energia Holding SpA	10-Feb-10	01-Aug-29	30,000	5,052	-	5,052	-
TOTAL					**5,052**	**-**	**5,052**	**-**

(in thousands of Euro) AS AT 31 DECEMBER 2023

					Accounting balance			
	COMPANY	TAKING OUT	MATURITY	OPENING BALANCE	TOTAL	WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BEYOND 5 YEARS
Fondazione CARITRO	Dolomiti Energia Holding SpA	10-Feb-10	01-Aug-29	30,000	5,052	-	5,052	-
TOTAL					**5,052**	**-**	**5,052**	**-**

The following table shows the breakdown and changes during the year in liabilities for rental and lease agreements, recognised under payables due from other lenders, determined in accordance with EU IFRS 16.

(in thousands of Euro)

	as at 31.12.2023	New contracts	Refunds	as at 31.12.2024	of which current quota
Financial payables for buildings	1,902	0	-484	1,418	496
Financial payables for other moveable assets	331	552	-193	690	204
PAYABLES DUE TO OTHER LENDERS	**2,233**	**552**	**-677**	**2,108**	**700**

With regard to "**Payables due to other lenders**", note that in 2024 Dolomiti Energia Holding S.p.A. launched a Crowdfunding initiative to participate in financing of the Panchià hydroelectric plant. The debt, amounting to 500,000 euro, will be repaid to the lenders during 2026.

Financial payables due to subsidiaries and **other financial payables** include payables for cash pooling (541,792 thousand euro) and related interest (4,311 thousand euro) as at 31 December 2024 (337,319 thousand euro and 2,837 thousand euro, respectively, at the end of the previous year).

Below is a breakdown of the Dolomiti Energia Holding S.p.A.'s net financial indebtedness as at 31 December 2024 and 2023, determined in accordance with the document published by ESMA on 4 March 2021 "Guidelines on disclosure obligations" pursuant to Regulation (EU) 2017/1129 (the Prospectus Regulation), the adoption of which was also recommended by CONSOB through "Warning Notice No. 5/21" of 29 April 2021.

(in thousands of Euro)	AL 31 DICEMBRE	
	2024	**2023**
A. Cash	134,783	27,764
B. Cash equivalents	-	-
C. Other current financial assets	156,858	252,122
D. Cash and cash equivalents (A+B+C)	**291,641**	**279,886**
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(837,662)	(420,839)
F. Current portion of non-current financial debt	(12,500)	(8,333)
G. Current financial indebtedness (E+F)	**(850,162)**	**(429,172)**
H. Current net financial indebtedness (D+G)	**(558,521)**	**(149,286)**
I. Non-current financial debt (excluding the current portion and debt instruments)	(153,991)	(166,201)
J. Debt instruments	(5,052)	(5,052)
K. Trade payables and other non-current payables	-	-
L. Non-current financial indebtedness (I+J+K)	**(159,043)**	**(171,253)**
M. Total financial indebtedness (H+L)	**(717,564)**	**(320,539)**

8.18 OTHER LIABILITIES (CURRENT AND NON-CURRENT)

The "Other non-current liabilities" and "Other current liabilities" items as at 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Accrued liabilities and deferred income	787	107	680
TOTAL OTHER NON-CURRENT LIABILITIES	787	107	680

Deferred income refers to multi-year operating grants.

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Social security and welfare payables	1,222	1,061	161
Accrued liabilities and deferred income	1,663	40	1,623
VAT	-	892	(892)
IRPEF	646	571	75
Other tax payables	-	25	(25)
Other payables	994	737	257
Payables to employees	985	734	251
Payables for direct and indirect taxes to subsidiaries	10,644	4,895	5,749
TOTAL OTHER CURRENT LIABILITIES	16,154	8,955	7,199

Social security payables concerned charges and withholding taxes to employees at the end of the financial year, paid in the following month. Similarly, payables for IRPEF concerned withholding taxes for December, paid in January 2025.

The payables to employees include payables for holidays, leaves and overtime hours accrued over the year and to be taken in the following year, for a total of 985 thousand euro.

Among other payables, note the payable for charges accrued and not invoiced by the GSE as at 31 December 2024 amounting to 513 thousand euro, in application of Art. 15-bis of Italian Decree Law 4/2022, which introduced to Italian law a two-way compensation mechanism on the price of electricity produced, among others, by plants with a capacity of more than 20 kW powered from hydroelectric sources (for further details, please refer to the paragraph "Windfall measures").

The Parent Company recognises payables to subsidiaries for Group VAT of 8,883 thousand euro (3,414 thousand euro at the end of the previous year) and IRES tax payables resulting from the tax consolidation scheme for 1,761 thousand euro (1,481 thousand euro as at 31 December 2023).

8.19 TRADE PAYABLES

The "Trade payables" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER		
	2024	2023	change
Payables to subsidiaries	4,993	2,451	2,542
Payables to associates	2	3	(1)
Payables to parent companies	367	298	69
Payables to other companies	12,716	9,199	3,517
TOTAL TRADE PAYABLES	**18,078**	**11,951**	**6,127**

The "payables to subsidiaries" item includes all relations between Dolomiti Energia Holding and Group companies and includes, among the more significant amounts, seconded personnel, service contracts and all supplies of goods and services. It also includes a payable of 2,306 thousand euro to Hydro Dolomiti Energia for off-contract work carried out on the hydroelectric plants in 2024.

The payables to parent companies item is related to payables due to the Municipal Administration of Rovereto for rentals.

Trade payables to other companies include payables for invoices received for 8,021 thousand euro (4,730 thousand euro at the end of the previous year), and for invoices to be received equal to 4,695 thousand euro (4,469 thousand euro at the end of 2023). The invoices to be received mainly refer to software and advisory fees for 2024.

9. NOTES TO THE INCOME STATEMENT

9.1 REVENUE

The "Revenue" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	variazione
Electricity production	13,395	9,352	4,043
Energy certificates	177	391	(214)
Other services	1,546	1,323	223
TOTAL	**15,118**	**11,066**	**4,052**

Revenue from hydroelectric energy in 2024 amounted to 11,955 thousand euro compared to 6,993 thousand euro in 2023.

Revenue from thermoelectric energy sales amounted to 1,440 thousand euro in 2024 (2,360 thousand euro in 2023) and derives from production by the combined cycle gas turbine plant in Ponti sul Mincio; the decrease was caused by the decline in market prices, lower production (6,496 MWh in 2024 – 11,827 MWh in 2023). For a complete and more detailed overview of production performance for the year, please refer to the Report on Operations.

Energy certificates refer to the revenue from the former green certificate incentive tariff recognised by the GSE and accrued in 2024 on the production of thermoelectric energy.

Other services regarded sales of laboratory chemical analyses for third parties for 1,546 thousand euro (1,322 thousand euro in 2023).

All revenue was achieved in Italy.

9.2 OTHER REVENUE AND INCOME

The "Other revenue and income" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	**2023**	**change**
Other revenue	124	129	(5)
S. Colombano Operations	1,063	1,003	60
Real estate income	100	99	1
Gains from standard operations	3	-	3
Other revenue and income	383	169	214
Software user license revenue	162	216	(54)
Services to third parties	16	15	1
Purification management	-	-	-
Revenue from services to subsidiaries	31,554	27,746	3,808
Revenue from services to associates	34	30	4
Seconded personnel	1,631	1,090	541
Core contingent assets	97	2,015	(1,918)
Grants - plants	24	23	1
Operating grants	1,203	109	1,094
TOTAL	**36,394**	**32,644**	**3,750**

This item includes mainly:

- "other revenue and income", primarily referring to the turnover for guided visits to the hydroelectric plants as part of the Hydrotour project for 44 thousand euro, waivers of directors' fees (21 thousand euro), service contracts with Ecopuglia Energia (55 thousand euro) and reimbursement of the cost of labour for services provided by our employees in the transition process that allowed GDE to acquire the shares previously held by Macquarie (163 thousand euro);
- "revenue from subsidiaries", mostly referring to service contracts entered into to regulate the administrative, logistics and IT services between the Parent Company and Subsidiaries (27,785 thousand euro), up 3,000 thousand euro compared to the previous year after upgrading; bank sureties and parent company guarantees for 3,770 thousand euro in 2024, up 375 thousand euro on last year;
- revenue for "seconded personnel" refers to its personnel seconded to Hydro Dolomiti Energia (738 thousand euro), Dolomiti Energia Solutions (300 thousand euro), Dolomiti Ambiente (170 thousand euro), Dolomiti Energia (323 thousand euro) and Dolomiti Energia Trading (100 thousand euro);
- contingent assets for 32 thousand euro referring to AEEG resolution No. 280/07 for the annual timing adjustment for the sale of PMG plants in 2023 to the GSE and for 39 thousand euro to Fifth partial allocation plan of the SEA SPA preventive arrangement with creditors – No. 2/2017 – Pro-rata Class 2 receivable – claimed by Depurazione Trentino Centrale scarl (a subsidiary of Dolomiti Energia Holding Spa liquidated in 2023);

- operating grants referred to GRIN incentives granted by GSE to producers of renewable energy (1,196 thousand euro) and contributions collected on training projects (3 thousand euro).

9.3 RAW MATERIALS, CONSUMABLES AND MERCHANDISE

The "Raw materials, consumables and merchandise" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Purchases of elect. raw materials	133	142	(9)
Purchases of gas raw materials	790	1,539	(749)
Purchases of inventories	5	-	5
Purchase of fuels and vehicle spare parts	194	161	33
Purchases of laboratory and chemicals	263	243	20
Changes in inventories of raw materials, consumables and merchandise	-	-	-
Contingent liabilities on purchases	1	4	(3)
Other purchases	235	162	73
TOTAL	1,621	2,251	(630)

In detail they include:

- purchases of electricity and gas relate to the thermoelectric energy production of the Mincio plant, which the Company co-owns with A2A Spa and AGSM-AIM Spa; the decrease is due to the drop in prices of electricity and natural gas.
- the "other purchases" item includes consumables not managed in stock such as PPE devices and miscellaneous small parts.

9.4 SERVICE COSTS

The "Service costs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
External maintenance services	14,578	13,463	1,115
Insurance, banking and financial services	976	1,792	(816)
Other services	7,666	3,938	3,728
Commercial services	850	771	79
General services	4,664	4,555	109
Contingent liabilities for services	80	206	(126)
Rental expense	134	153	(19)
Rental fees	862	782	80
Water diversion charges	2,136	2,024	112
TOTAL	**31,946**	**27,684**	**4,262**

External maintenance services essentially concern the operation and maintenance of the systems, the costs to manage the hydroelectric and thermal power plants (1,601 thousand euro), hardware and software fees (12,209 thousand euro in 2024 compared to 10,939 thousand euro in 2023) and the maintenance of buildings and the vehicle fleet (750 thousand euro).

Insurance service costs corresponded to 699 thousand euro, while the banking and financial services comprised bank commissions and charges for guarantees and financial professional services that amounted to 277 thousand euro. The difference compared to 2023 is attributable to the commissions on the SACE loan (1,047 thousand euro), which was disbursed to the Company in December 2022 and repaid in full in December 2023.

The "other services" item includes services provided to employees for 1,581 thousand euro mainly relating to canteen, payslip processing, training and medical examination expenses. Cleaning and security services (759 thousand euro), technical, IT and consultancy professional services are also included for a total amount of 5,209 thousand euro. The increase in these costs compared to the previous year is mainly due to advisory costs relating to the acquisitions of 100% of the shares of EPQ Srl and Hydro Dolomiti Energia Srl. Lastly, note the laboratory analysis costs (30 thousand euro), other transport costs (51 thousand euro) and Co.Co.Co contract remuneration (35 thousand euro).

Commercial services include transmission, modulation and balancing services, as well as service contracts with subsidiaries (518 thousand euro in 2024, 544 thousand euro in 2023), as well as sponsorship, advertising and communication services (331 thousand euro).

Telephone costs (1,887 thousand euro), utility bills (970 thousand euro), annual membership fees (221 thousand euro) and costs for seconded personnel (740 thousand euro) are included under General services. The item also includes costs for financial statements' certification and fees to directors and statutory auditors (notes 12 and 13). Fees were duly paid during the year to the Board of Statutory Auditors in compliance with Shareholders' Meeting resolutions. The fees paid to the Board of Directors were decided by the Shareholders' Meeting, and for special offices by the Board of Directors.

Contingent liabilities include costs for advisory services and other costs accrued in the previous year but settled during the year.

Rental fees refer to the cost of hiring vehicles for the Company's business with contracts of less than 12 months and the cost of hiring goods of less than 5 thousand euro (electronic office machines).

The water diversion fees include state charges (278 thousand euro), surcharges to BIM (545 thousand euro) and surcharges to riparian municipalities (120 thousand euro). In 2024, note the 789 thousand euro in additional fees for extension of the San Colombano hydroelectric concession. The costs relating to electricity supplied pursuant to Art. 13 of Italian Presidential Decree 670/72 (398 thousand euro) were down slightly compared to the previous year (418 thousand euro) due to the reduction in electricity prices.

9.5 PERSONNEL COSTS

The "Personnel costs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Wages and salaries	14,035	11,589	2,446
Social security costs	4,113	3,426	687
Employee termination benefits	892	797	95
Other costs	15	240	(225)
TOTAL	19,055	16,052	3,003

Personnel costs include an estimate of employee bonuses earned as a result of the achievement of corporate objectives for the amount of 1,778 thousand euro (1,167 thousand euro in the previous year). The "Other costs" item includes costs for temporary personnel (154 thousand euro) and the value of capitalised internal costs (therefore deducted from personnel costs) for a total amount of 806 thousand euro (384 thousand euro in the previous year).

The overall increase in personnel costs is mainly attributable to the increase in the number of employees by 29 compared to the previous year. As regards the seconding of employees over the year, reference is made to section "Human Resources" in the Report on Operations. As at 31 December 2024, the Company had a workforce of 266, including: 18 executives, 28 managers, 211 white collar employees and 9 manual workers.

9.6 AMORTISATION, DEPRECIATION, ALLOCATIONS, WRITE-DOWNS AND WRITE-BACKS (WRITE-DOWNS) OF RECEIVABLES

The "Amortisation, depreciation, allocations, write-downs and write-backs (write-downs) of receivables" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	variazione
Amortisation of rights of use	575	515	60
Amortisation of intangible assets	7,432	6,465	967
Depreciation of property, plant and equipment	2,643	2,802	(159)
Credit losses	-	-	-
Write-downs of property, plant and equipment	25	1,170	(1,145)
TOTAL	**10,675**	**10,952**	**(277)**

The 2024 amortisation and depreciation are in line with the previous year.

9.7 OTHER OPERATING COSTS

The "Other operating costs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Miscellaneous costs	743	433	310
Sales management expenses	177	910	(733)
IMIS	635	270	365
Core contingent liabilities	75	30	45
Losses from standard operations	1	2	(1)
Postal charges	3	3	-
Other taxes	42	47	(5)
TOTAL	**1,676**	**1,695**	**(19)**

Other costs include stamp and registry tax, vehicle circulation tax, stationary costs and other sundry charges for the company's ordinary management.

Sales management expenses refer to the costs for fulfilling the CO2 emissions obligations on thermoelectric production of the Mincio plant (177 thousand euro).

The change in the cost of IMIS property tax includes the provision of 334 thousand euro for future payment requests in relation to assessments relating to the new property registry income of the San Colombano plant.

The contingent liabilities are essentially attributable to prior years' costs and adjustments to revenue estimated in previous years, which generated adjustments in the current year (75 thousand euro).

Other taxes and duties include stamp duty and the annual contributions to ARERA and CONSOB.

9.8 GAINS AND EXPENSES FROM EQUITY INVESTMENTS

The "Gains and expenses from equity investments" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Dividends from subsidiaries	90,767	41,542	49,225
Dividends form associates and joint ventures	207	2,704	(2,497)
Dividends and income from other Companies	1,661	572	1,089
Write-downs of equity investments and securities	(3,015)	(500)	(2,515)
TOTAL	**89,620**	**44,318**	**45,302**

Dividends collected over the year and recognised in the income statement were from subsidiaries: SET Distribuzione (5,019 thousand euro) and Hydro Dolomiti Energia (85,748 thousand euro).

Dividends from associates and joint ventures were paid by Alto Garda Servizi (125 thousand euro), Tecnodata Trentina (7 thousand euro) and Bioenergia Trentino (75 thousand euro).

The "income from other companies" item includes the collection of dividends from Primiero Energia (1,090 thousand euro), Iniziative Bresciane (516 thousand euro), Bioenergia Fiemme (24 thousand euro) and Istituto Atesino Sviluppo (31 thousand euro).

The write-downs concern the equity investments in the associates Neogy srl for 750 thousand euro, already written down in the previous year for 500 thousand euro, and Iniziative Bresciane Spa for 2,265 thousand euro (note 8.4).

9.9 FINANCIAL INCOME AND CHARGES

The "Financial income" and "Financial charges" items for the years ended 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)

Financial income	FOR THE YEAR ENDED 31 DECEMBER 2024	2023	change
Financial income from subsidiaries	9,121	14,398	(5,277)
Financial income from associates	474	268	206
Financial income from other companies	4,873	3,543	1,330
TOTAL	**14,468**	**18,209**	**(3,741)**

The "Financial income from subsidiaries" item includes interest accrued on positive cash pooling balances (7,656 thousand euro, compared to 12,630 thousand euro last year) and commissions for the provision of funds (1,465 thousand euro in 2024 compared to 1,768 thousand euro in 2023).

Financial income from associates includes interest on shareholder loans granted to SF Energy (223 thousand euro) and to Neogy (251 thousand euro).

The increase in financial income from other companies is largely due to interest income accrued on current accounts (4,136 thousand euro) and interest income on short-term financial deposits (737 thousand euro), a figure that was affected by the increase in cash and cash equivalents during the year and the higher interest rates recognised on bank deposits.

(in thousands of Euro)

Financial charges	FOR THE YEAR ENDED 31 DECEMBER 2024	2023	change
Financial charges due to subsidiaries, associates and joint ventures	(15,402)	(5,880)	(9,522)
Financial charges due to other companies	(6,914)	(15,659)	8,745
Interest to be discounted	(118)	(136)	18
TOTAL	**(22,434)**	**(21,675)**	**(759)**

The "Financial charges due to subsidiaries" item relates to interest expense on cash pooling accounts with Group companies (15,402 thousand euro), a considerable increase compared to the previous year (5,880 thousand euro).

The decrease in Financial charges due to other companies is mainly due to interest expense on loans (2,324 thousand euro compared to 14,952 thousand euro in the previous year), including interest for the SACE loan (12,465 thousand euro) repaid in December 2023.

This item also includes interest expense on current accounts for 4,154 thousand euro (3,874 thousand euro for hot money transactions alone) and interest expense on the bond loan for 274 thousand euro (247 thousand euro in 2023).

9.10 TAXES

The "Taxes" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Current taxes	-	-	-
Deferred tax liabilities	2	2	-
Deferred tax assets	254	(299)	553
Prepaid taxes on tax losses	2,954	506	2,448
Income/charge from tax consolidation	639	2,277	(1,638)
Taxes from prior years	(80)	226	(306)
TOTAL	**3,769**	**2,712**	**1,057**

The following table shows the reconciliation between actual and theoretical tax charge, determined by applying the tax rate in force to the profit before tax.

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER			
	2024	%	2023	%
PROFIT BEFORE TAX	**68,193**		**25,928**	
Theoretical IRES	16,366	24.00%	6,223	24.00%
Permanent differences	(81,460)		(28,140)	
Temporary differences	960		110	
ACE	-		515	
IRES taxable amount	(12,307)		(2,617)	
Actual IRES	-		-	
OPERATING RESULT	**76,159**		**29,394**	
Interest margin	(8,070)		(4,514)	
Costs without relevance for IRAP purposes	19,886		17,605	
Revenue without relevance for IRAP purposes	(89,619)		(44,318)	
TOTAL	**(1,644)**		**(1,833)**	
Theoretical IRAP	-	4.65%	-	4.65%
Permanent differences	(15,629)		(15,073)	
Temporary differences	(212)		(443)	
ACTUAL IRAP	-		-	
CURRENT INCOME TAXES	**-**		**-**	
DEFERRED TAX ASSETS - TAX CONSOLIDATION INCOME	**(2,954)**		**(628)**	

10. RELATED PARTY TRANSACTIONS

Related parties are defined as the parties that share with the Company the same controlling entity, the companies that directly or indirectly control it, are controlled or are subjected to joint control, as well as companies in which the Parent Company holds an equity investment able to exercise a significant influence.

For the years ended 31 December 2024 and 2023, the main transactions with related parties concerned the following:

(in thousands of Euro)	AS AT 31 DECEMBER							
	2024				2023			
	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL PAYABLES	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	TRADE PAYABLES	FINANCIAL PAYABLES
DTC	-	-	-	-	-	-	-	-
Dolomiti Energia	1,749	67,791	(204)	(4,335)	1,587	123,129	(217)	(1,047)
Dolomiti Energia Solutions	465	2,654	(990)	(1,729)	454	45,583	(76)	(41)
Set Distribuzione	1,222	2,634	(46)	(23,892)	1,198	9	(20)	(35,079)
Novareti	757	52,894	(212)	(667)	1,143	49,205	(141)	(188)
Hydro Dolomiti Energia	1,714	45,430	(3,064)	(360,148)	1,285	14,844	(1,490)	(195,795)
Dolomiti Edison Energy	149	1,388	-	(11,324)	133	11,561	-	(370)
Dolomiti Energia Trading	1,174	8,321	(194)	(135,783)	2,362	20,600	(399)	(98,719)
Dolomiti GNL	9	1,747	-	(38)	8	1,758	-	(42)
IVI GNL	-	-	-	-	-	-	-	-
Dolomiti En.Hydro Power	3	-	-	(2,238)	2	1	-	(1,773)
Gasdotti Alpini	1	-	(107)	(475)	1	-	(105)	(518)
Dolomiti Transition Asset	40	42	-	(11,053)	4	39	-	(10,938)
Dolomiti Energia Rinnovabili	579	1	-	(647)	-	2,394	-	-
EPQ S.r.l.	90	2	(173)	(3,552)	-	-	-	-
Società Fondo Perla Srl	-	609	-	-	-	-	-	-
New Power Group Srl	-	3,020	-	-	-	-	-	-
Powertwo Srl	-	189	-	-	-	-	-	-
Dolomiti Ambiente	963	1,328	(2)	(669)	803	15	(3)	(475)
Green Fin Srl	-	1	-	(96)	-	-	-	-
Dolomiti Hydro Storage Srl	915	-	-	(100)	-	-	-	-
TOTAL	**9,830**	**188,053**	**(4,993)**	**(556,747)**	**8,982**	**269,138**	**(2,451)**	**(344,987)**

(in thousands of Euro)

	FOR THE YEAR ENDED 31 DECEMBER															
	2023								2022							
	REVENUE			PURCHASES			FINANCIAL INCOME	FINANCIAL CHARGES	REVENUE			PURCHASES			FINANCIAL INCOME	FINANCIAL CHARGES
	Goods	Services	Other	Goods	Services	Other			Goods	Services	Other	Goods	Services	Other		
DTC									-	2	6	-	-	-	-	(2)
Dolomiti Energia	-	-	8,981	-	(383)	(21)	1,667	(500)	-	7,467	-	-	(405)	(28)	6,183	-
Dolomiti Energia Solutions	-	-	1,033	-	(611)	-	2,516	-	-	1,035	-	-	(666)	-	2,410	-
Set Distribuzione	-	62	5,510	-	(90)	-	10	(1,024)	-	5,343	-	-	(97)	-	10	(1,254)
Novareti	-	638	4,918	-	(290)	-	3,066	-	-	5,159	-	-	(303)	-	2,855	-
Hydro Dolomiti Energia	-	45	4,523	-	(1,517)	-	315	(7,524)	-	4,426	-	-	(1,560)	-	345	(2,632)
Dolomiti Edison Energy	-	9	635	-	-	-	410	(47)	-	626	-	-	-	-	829	-
Dolomiti Energia Trading	10,245	-	3,558	-	(17)	(176)	550	(5,562)	5,813	3,256	-	-	(17)	(382)	1,667	(1,481)
Dolomiti GNL	-	-	17	-	-	-	69	-	-	13	-	-	-	-	63	-
Dolomiti En.Hydro Power	-	-	26	-	-	-	2	(70)	-	25	-	-	-	-	4	(40)
Gasdotti Alpini	-	-	1	-	(107)	-	-	(21)	-	1	-	-	(105)	-	-	(20)
Dolomiti Transition Assets	-	-	50	-	-	-	-	(392)	-	50	-	-	-	-	-	(357)
Dolomiti Energia Wind Power	-	-	579	-	-	-	72	(3)	-	-	-	-	-	-	12	-
EPQ Srl	-	-	489	-	(174)	-	284	(258)	-	-	-	-	-	-	-	-
Società Fondo Perla Srl	-	-	-	-	-	-	22	-	-	-	-	-	-	-	-	-
New Power Group Srl	-	-	-	-	-	-	40	-	-	-	-	-	-	-	-	-
Powertwo Srl	-	-	-	-	-	-	8	-	-	-	-	-	-	-	-	-
Dolomiti Ambiente	-	24	2,683	-	(94)	-	87	(1)	-	2,141	-	-	(93)	(1)	20	(94)
Green Fin Srl	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-
Dolomiti Hydro Storage Srl	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**10,245**	**778**	**33,003**	**-**	**(3,283)**	**(197)**	**9,121**	**(15,402)**	**5,813**	**29,544**	**6**	**-**	**(3,246)**	**(411)**	**14,398**	**(5,880)**

For further details on transactions with related parties, reference is made to the Report on Operations.

11. GUARANTEES AND COMMITMENTS

The breakdown of guarantees and commitments undertaken by the Company as at 31 December 2024 and 2023, in favour of third parties and mainly in the interest of other companies in the Dolomiti Energia Group is provided below:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Guarantees given to third parties	580,784	591,457	(10,673)
Financial commitments in favour of third parties	145,878	129,813	16,065
TOTAL	**726,662**	**721,270**	**5,392**

The banking/insurance system has undertaken commitments in favour of third parties and in the interest of the Company for the following values:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER		
	2024	2023	change
Usage of signature facilities to issue bank/insurance guarantee	2,377	2,378	(1)
TOTAL	**2,377**	**2,378**	**(1)**

Guarantees given to third parties (580,784 thousand euro) include parent company guarantees issued in favour of subsidiaries/associates, in the amount of 227,829 thousand euro (249,752 thousand euro as at 31 December 2023), as well as guarantees given to banks and insurance companies for loans/credit lines granted to investees, in the amount of 352,955 thousand euro (341,705 thousand euro at the end of previous year). The Company also undertook financial commitments in favour of third parties, equal to 145,878 thousand euro, in relation to counter-guarantees released to the financial system for the issue of bank guarantees.

12. FEES TO DIRECTORS AND STATUTORY AUDITORS

The fees to directors and statutory auditors of the Company, for the years ended 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Fees to Directors	417	433
Fees to Board of Statutory Auditors	127	94
TOTAL	**544**	**527**

Remunerations are substantially in line with the previous year.

13. INDEPENDENT AUDITORS' FEES

The following table shows the remuneration received by the independent auditors Pricewaterhouse-Coopers S.p.A. for the auditing services of the financial statements for the years ended 31 December 2024 and 2023, as well as remuneration for Other audit services:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Statutory audit	52	51
Other audit services	6	15
TOTAL	58	66

14. AGREEMENTS NOT DISCLOSED IN THE STATEMENT OF FINANCIAL POSITION

No agreements are to be reported that are not disclosed in the Statement of Financial Position and that could significantly affect the Company's financial position and results of operations.

15. SIGNIFICANT EVENTS OCCURRED AFTER YEAR END

January 2025 saw the closing of the transaction for the Epico Group's acquisition of 100% of the share capital of Hydrowatt SHP S.r.l. This transaction, finalised by the subsidiary Dolomiti Transition Assets Srl for a total outlay of 3,141 thousand euro to purchase the equity investment and a further 10,770 thousand euro as shareholder loan, includes 14 photovoltaic plants located in the Marche, Abruzzo, Lazio and Molise regions for a total capacity of 13.1 MW.

In February 2025, the agreement was finalised with the IVPC Group, leader in the sector of renewable energies in Italy, which envisages the acquisition of 49% of the share capital of a number of companies specialised in development, management and maintenance of wind and photovoltaic plants, and the acquisition of 75% of the share capital of certain IVPC Group companies holding around 66 MW of wind and photovoltaic plants already in operation, 30 MW currently under construction and a pipeline of further projects totalling around 867 MW, divided into various development phases, with approximately 72 MW already authorised and a further 212 MW at an advanced stage of the authorisation process. The transaction was finalised by the subsidiary Dolomiti Energia Rinnovabili Srl for a total outlay of 129,606 thousand euro to purchase the equity investment and a further 58,162 thousand euro as loan from existing shareholders and the acquisition of loans from former shareholders.

Both acquisitions were financed by Dolomiti Energia Holding S.p.A.

There are no other significant events after the reporting date of these financial statements that have not been recognised and that would significantly change the equity, financial and economic representation of the 2024 financial statements.

16. REVENUE OR COST ELEMENTS OF EXCEPTIONAL EXTENT OR IMPACT

Pursuant to article 2427, item 13, of the Italian Civil Code, it is noted that, during the year, the Company reported no revenue or costs of exceptional extent or impact.

17. TRANSPARENCY IN THE PUBLIC FUNDING SYSTEM

In application of Article 1, paragraphs 125 et seq. of Italian law 124/2017 (annual market and competition law) as reformulated by Article 35 of Italian decree law No. 34/2020 ("crescita" decree), published on the Official Gazette No. 100 of 30 April 2021, please refer to the National Registry of State aid, section "Transparency" in order to view any funding, subsidies, benefits, contributions or aid, in money or in kind, that are not general and that are not of a payment or remuneration nature or for damages, actually disbursed by the public administrations and the parties described under Article 2-bis of Italian legislative decree No. 33/2013 in 2024.

18. PROPOSED ALLOCATION OF PROFITS OR LOSS COVERAGE

We propose to the Shareholders' Meeting that profit for the year of 71,961,850 euro be allocated as follows:

- 3,598,093 euro, equal to 5% of profit for the year, to the legal reserve;
- 49,912,368 euro ordinary dividend to shareholders, corresponding to 0.1296 euro per share, to be paid from 1 July 2025;
- 568,397 euro to cover previous years' losses;
- 17,882,992 euro to the extraordinary reserve.

Rovereto, 27 March 2025

on behalf of the Board of Directors
Dolomiti Energia Holding SpA

The Chairperson
Silvia Arlanch

CERTIFICATION OF THE FINANCIAL STATEMENTS

The undersigned Silvia Arlanch and Michele Pedrini of Dolomiti Energia Holding SpA, taking account of provisions set out by regulations in force, hereby certify the following:

- the adequacy in relation to the business characteristics and
- the actual application of the administrative and accounting procedures for the formation of the financial statements during 2024.

No significant aspects emerged to this regard.

It is also certified that:

- the financial statements:
  a) have been prepared under the applicable international accounting standards endorsed by the European Union, pursuant to EC Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  b) agree with the balances shown in the books and accounting entries;
  c) give a true and fair view of the equity, economic and financial position of the Issuer.
- The Report on Operations includes a reliable analysis of performance and the results of operations, and of the general situation of the Issuer, together with a description of the principal risks and uncertainties to which it is exposed.

Rovereto, 27 March 2025

The Chairperson
Silvia Arlanch

Responsible Party of the Issuer
Michele Pedrini

REPORTS

BOARD OF STATUTORY AUDITORS' REPORT TO THE SHAREHOLDERS' MEETING

PURSUANT TO ARTICLE 2429, PARAGRAPH 2, OF THE ITALIAN CIVIL CODE AND PURSUANT TO ARTICLE 3, PARAGRAPH 7 OF ITALIAN LEGISLATIVE DECREE 254/2016

To the Shareholders' Meeting of Dolomiti Energia Holding S.p.A.

Dear Shareholders,

In accordance with the articles of association in force, the Board of Statutory Auditors was assigned the function of supervising compliance with law and with the articles of association, as well as compliance with the principles of sound administration pursuant to Article 2403 of the Italian Civil Code, whilst statutory audit of the accounts was assigned to the independent auditor PricewaterhouseCoopers S.p.A.

Following the admission to listing on the regulated market of the Irish Stock Exchange of the bond loan issued by the Company, it acquired the qualification of Public Interest Entity pursuant to Italian Legislative Decree No. 39 of 27 January 2010.

As a consequence of the above, and to the purpose herein:

- pursuant to Article 22 of the articles of association, the Board of Statutory Auditors acts as the "Internal Control and Auditing Committee", which is responsible for supervising and overseeing the audit and the internal control systems;
- the Company is subject to compliance with the provisions established by Italian Legislative Decree 125/2024, having to include, among other things, the sustainability report in a specific section of the report on operations.

REPORT ON SUPERVISORY ACTIVITIES PURSUANT TO ARTICLE 2429, PARAGRAPH 2 OF THE ITALIAN CIVIL CODE

During the year ended 31 December 2024, our activities were governed by the legal provisions and the "Code of Conduct of the Board of Statutory Auditors of unlisted companies" issued by the Italian Accounting Profession.

This report brings to your attention the activities carried out and the results achieved.

The Financial Statements of Dolomiti Energia Holding S.p.A. for the year ended 31 December 2024 are submitted for your examination. They were drafted in compliance with the Italian regulations governing their preparation and record a profit for the year of 71,961,850 euro. The financial statements were made available to us by the legal deadline.

The audit report of 14 April 2025, containing an unmodified opinion, was delivered to us by the independent auditor, PricewaterhouseCoopers S.p.A.

According to the Independent Auditor's Report, the financial statements for the year ended 31 December 2024 provide a true and fair view of the financial position, economic result and cash flows of your Company, and were drafted in compliance with the regulations governing their preparation.

As it is not responsible for the statutory audit, the Board of Statutory Auditors performed supervisory activities on the financial statements as envisaged in Rule 3.8 of the "Code of Conduct for the Board of Statutory Auditors of unlisted companies", consisting in an overall summary control to confirm that the financial statements were prepared correctly. Audit of the accuracy of the accounting data, in fact, is the responsibility of the independent auditor.

SUPERVISORY ACTIVITIES PURSUANT TO ARTICLES 2403 ET SEQ., ITALIAN CIVIL CODE

We monitored compliance with the law and the Articles of Association, compliance with the principles of correct management and, in particular, the adequacy of the organisational, administrative and accounting structure adopted by the company and its actual functioning.

We participated in the shareholders' meetings, the meetings of the Board of Directors and the meetings of the Executive Committee and, based on the information available, we have no particular findings to report.

We obtained information from the Board of Directors, suitably in advance and also during the meetings held, on the general performance of operations and on business outlook, with details of the more significant transactions in terms of size or characteristics performed by the company and its subsidiaries. Based on the information acquired, we have no particular comments to make.

We promptly exchanged data and information relevant to the performance of our supervisory activities with the independent auditor.

We learned of and monitored the adequacy of the organisational, administrative and accounting structure and its actual operations, also through information obtained from department managers and, in this regard, we have no particular comments to make.

We learned of and monitored, to the extent of our responsibility, the adequacy and operation of the administrative and accounting system, and its reliability in fairly representing operating events, by obtaining information from department managers and from examination of company documents and, in this regard, we have no particular comments to make.

We met with the Supervisory Body and no critical issues emerged with regard to correct implementation of the organisational model that would warrant mention in this report.

In our role as Internal Control and Audit Committee, pursuant to Article 19, paragraph 1 of Italian Legislative Decree 39/2010, as amended by Italian Legislative Decree 135/2016, we carried out the specific information, monitoring, control and audit functions provided for therein, dutifully fulfilling the tasks specified in the aforementioned legislation by examining, among other things, the additional report pursuant to Article 11 of Regulation (EU) 537/2014 that was made available on 14 April 2025 and on which the Board has no comments to make.

In meetings held with the independent auditors, PricewaterhouseCoopers SpA, no significant data or information emerged that would warrant mention in this report.

No complaints were received from shareholders pursuant to Articles 2408 or 2409 of the Italian Civil Code.

We have not issued any reports to the Board of Directors pursuant to Article 15, Italian Decree Law No. 118/2021 or pursuant to Article 25-octies, Italian Legislative Decree No. 14 of 12 January 2019.

We have not received reports from public creditors pursuant to Article 25-novies, Italian Legislative Decree No. 14 of 12 January 2019, or pursuant to Article 30-sexies, Italian Decree Law No. 152 of 6 November 2021, converted into Italian Law No. 233 of 29 December 2021, as amended.

During the year, the Board of Statutory Auditors issued, on 24 July 2024, the reasoned proposal for the assignment of the statutory audit engagement for the years 2025-2033 as well as other opinions required by law.

During the course of our supervision, as described above, no other significant events emerged that would require mention in this report. These supervisory activities were performed in meetings of the Board and by taking part in all meetings of the Board of Directors and Executive Committee.

The Chairman of the Board of Statutory Auditors also met the Internal Audit Manager on a number of occasions, and attended meetings with the Supervisory Body during the year.

The Board of Statutory Auditors acknowledges that the Company has updated the Organisational Model under Italian Law 231/2001 and that the Supervisory Body reported to the Board of Directors on a six-monthly basis on the activities carried out.

COMMENTS ON THE FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2024 were drafted according to the International Accounting Standards – IAS and the International Financial Reporting Standards – IFRS, issued by the International Accounting Standards Board (IASB), as well as to IFRIC and SIC interpretations, endorsed by the European Union pursuant to Regulation (EC) No. 1606/2002 in force at the reporting date.

As we are not responsible for the full audit of the financial statements content, we monitored their overall presentation, general compliance with law in relation to its format and structure, and in this respect have no particular comments to make.

We verified compliance with the law relating to the preparation of the Report on Operations pursuant to art. 2428 of the Italian Civil Code, which contains the sustainability report in a specific section, in compliance with the obligations set forth by Legislative Decree 125/2024.

As regards this report, a "limited assurance engagement" report was issued by the independent auditors BDO Italia Spa, dated 14 April 2025, which contains the following conclusions: "on the basis of the work carried out, no elements have come to our attention that lead us to believe that:

- the consolidated sustainability report of the Dolomiti Energia Group for the year ended 31 December 2024 has not been prepared, in all significant aspects, in compliance with the reporting principles adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (ESRS)
- the information contained in the paragraph "Disclosure pursuant to EU Regulation 2020/852 on the taxonomy" of the consolidated sustainability report has not been prepared in all significant aspects, in compliance with art. 8 of EU Regulation no. 852 of 18/06/2022."

In this regard, we have no particular observations to report.

As far as we are aware, in preparing the financial statements the Directors did not deviate from regulations pursuant to Article 2423, paragraph 5 of the Italian Civil Code.

OBSERVATIONS AND PROPOSALS REGARDING APPROVAL OF THE FINANCIAL STATEMENTS

Considering the results of our activities and the opinion expressed in the report issued by the Independent Auditors and by the entity responsible for the independent limited assurance report on the sustainability report pursuant to art. 14-bis of Legislative Decree 39/2010, we have no reason to object to the shareholders' approval of the financial statements for the year ended 31 December 2024, as prepared by the Directors.

The Board of Statutory Auditors agrees with the proposed allocation of profit for the year as formulated by the Directors in the Notes to the Financial Statements.

Rovereto, 14 April 2025

The Board of Statutory Auditors

Monia Bonenti
Laura Costa
Maura Dalbosco

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of Dolomiti Energia Holding SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Dolomiti Energia Holding SpA (the Company), which comprise the statement of financial position as of 31 December 2024, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Evaluation on the recoverable value of the equity investment in Hydro Dolomiti Energia Srl *Note 8.4 "Equity investments" of the explanatory notes to the financial statements as of 31 December 2024.* The Company's financial statements as of 31 December 2024 include Equity investments for Euro 1.267,2 million, of which Euro 774,9 million related to the subsidiary Hydro Dolomiti Energia Srl (hereinafter also HDE), whose activity consists in managing plants for the use of hydroelectric concessions, mainly located in the Autonomous Province of Trento. Law 205 of 27 December 2017 ("2018 Budget Law"), the Law 160 of 27 December 2019 and subsequent regulatory provisions amended Article 13 of the Consolidated Law introduced by Presidential Decree no. 670 of 31 August 1972, prescribing that: • the concessions of large diversions in the provinces of Trento and Bolzano, with expiration date prior to 31 December 2024, are extended *de jure* for the period useful to complete the public tendering procedures and in any case not beyond the aforesaid date; • the concession-holder who, at its own expense, made investments related to "assets transferable for free", shall be entitled to receive, at the expiry of the concession, an indemnity equal to the value of the part of the asset that has not been depreciated, determined according to criteria that have to be set forth in a provincial law. With a resolution dated 18 October 2024, the Council of the Autonomous Province of Trento redefined the deadline for a series of concessions for large water diversions for hydroelectric purposes from 31 December 2024 to 31 March 2029.	We analysed the findings of the audit of the financial statements as of 31 December 2024 of HDE. We examined the Company's management estimates of the cash flows expected in the period 2025-2028 from the equity investments in HDE. We examined the appraisal commissioned by the Company's management in 2024 to a third party expert for the estimate of the presumed repayment value of assets held by HDE that are not transferable for free, and verified the correspondence of the terminal values used in the impairment test with the values as per the appraisal. We examined the impairment test, analysing the relating methodological correctness, the mathematical accuracy and, with the support of PwC network's experts, the discount rate used; in addition, we verified the sensitivity analysis carried out by the directors in relation to the assumptions relevant to in order to identify the existance of any impairment of the equity investment. Finally, we verified the adequacy and the completeness of the information included in the explanatory notes.

Key Audit Matters	Auditing procedures performed in response to key audit matters
Law 9 of 21 October 2020 of the Autonomous Province of Trento defined the criteria for the indemnification for "assets transferable for free". The equity investment in the subsidiary Hydro Dolomiti Energia Srl is entered in the financial statements at cost, and eventually impaired. Even in the absence of impairment indicators, as of 31 December 2024 the Company's management has done a specific impairment test based on the discounted cash flow expected from the equity investment. Considering the significance of the equity investment in HDE, the development of the national and provincial regulations on concessions of large diversions as well as the expiry of the main concessions currently held by HDE, the evaluation of the Company's directors on the non-existence of impairment indicators for the equity investment in HDE represented a key matter in the audit of the financial statements.	

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No 537/2014

On 15 December 2017, the shareholders of Dolomiti Energia Holding SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2017 to 31 December 2024.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10

The directors of Dolomiti Energia Holding SpA are responsible for preparing a report on operations of Dolomiti Energia Holding SpA as of 31 December 2024, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on the compliance with the law of the report on operations;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Dolomiti Energia Holding SpA as of 31 December 2024.

Moreover, in our opinion, the report on operations is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Verona, 14 April 2025

PricewaterhouseCoopers SpA

Signed by

Paolo Vesentini
(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

DOLOMITI ENERGIA GROUP

Consolidated Financial Statements
as at 31 december 2024


PETZL

Consolidated Statement of Financial Position

(in thousands of Euro)

Assets	Notes	AS AT 31 DECEMBER 2024	2023
NON-CURRENT ASSETS			
Rights of use	7.1	6,035	6,119
Assets under concession	7.2	760,825	712,688
Goodwill	7.3	100,353	36,866
Intangible assets	7.3	51,172	52,554
Property, plant and equipment	7.4	948,290	926,754
Equity investments measured at equity and other companies	7.5	84,766	97,872
Non-current financial assets	7.6	11,279	11,490
Deferred tax assets	7.7	58,696	54,494
Other non-current assets	7.8	31,748	23,464
TOTAL NON-CURRENT ASSETS		**2,053,164**	**1,922,301**
Current assets			
Inventories	7.9	23,685	19,685
Trade receivables	7.10	411,383	462,015
Receivables for current taxes	7.11	3,584	2,876
Current financial assets	7.12	74,162	116,949
Other current assets	7.13	95,259	54,945
Cash and cash equivalents	7.14	138,992	30,289
TOTAL CURRENT ASSETS		**747,065**	**686,759**
ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS			
TOTAL ASSETS		**2,800,229**	**2,609,060**
Shareholders' Equity			
Share capital	7.15	411,496	411,496
Reserves	7.15	498,367	433,728
Net profit/(loss) for the year	7.15	348,193	169,808
TOTAL GROUP SHAREHOLDERS' EQUITY		**1,258,056**	**1,015,032**
Capital and reserves - minority interests	7.15	41,846	382,577
Profit/(Loss) - minority interests	7.15	93,076	62,185
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY		**1,392,978**	**1,459,794**
Liabilities			
NON-CURRENT LIABILITIES			
Provisions for non-current risks and charges	7.16	24,998	24,132
Employee benefits	7.17	11,932	12,766
Deferred tax liabilities	7.7	163,568	172,762
Non-current financial liabilities	7.18	272,899	286,536
Other non-current liabilities	7.19	123,680	117,828
TOTAL NON-CURRENT LIABILITIES		**597,077**	**614,024**
CURRENT LIABILITIES			
Provisions for current risks and charges	7.16	8,852	8,504
Trade payables	7.20	300,916	275,338
Current financial liabilities	7.18	348,301	139,758
Liabilities for current taxes	7.21	78,177	45,915
Other current liabilities	7.19	73,928	65,727
TOTAL CURRENT LIABILITIES		**810,174**	**535,242**
LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS		-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2,800,229**	**2,609,060**

Consolidated Comprehensive Income Statement

(in thousands of Euro)

	Notes	AS AT 31 DECEMBER 2024	2023
Revenue	8.1	2,218,409	2,195,159
Revenue from works on assets under concession	8.2	78,419	78,131
Other revenue and income	8.3	48,021	68,002
TOTAL REVENUE AND OTHER INCOME		**2,344,849**	**2,341,292**
Raw materials, consumables and merchandise	8.4	(835,809)	(1,158,492)
Service costs	8.5	(630,355)	(545,575)
Costs from works on assets under concession	8.2	(76,654)	(76,451)
Personnel costs	8.6	(88,460)	(78,335)
Amortisation, depreciation, allocations and write-downs	8.7	(64,705)	(63,701)
Net write-backs (write-downs) of receivables	8.7	(7,899)	(3,600)
Other operating costs	8.8	(48,649)	(96,742)
TOTAL COSTS		**(1,752,531)**	**(2,022,896)**
Result of equity investments measured at equity and other companies	8.9	13,548	6,902
OPERATING RESULT		**605,866**	**325,298**
Financial income	8.10	13,621	12,808
Financial charges	8.10	(15,747)	(23,697)
PROFIT BEFORE TAX		**603,740**	**314,409**
Taxes	8.11	(162,471)	(82,416)
NET PROFIT/(LOSS) FOR THE YEAR (A) OF CONTINUING OPERATIONS		**441,269**	**231,993**
Discontinuing operations		-	-
NET PROFIT/(LOSS) FOR THE YEAR (B) OF DISCONTINUING OPERATIONS		**-**	**-**
PROFIT/(LOSS) FOR THE YEAR		**441,269**	**231,993**
of which Group		348,193	169,808
of which Minority interests		93,076	62,185
COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT			
Actuarial profit/(loss) for employee benefits		73	669
Tax effect on actuarial profit/(loss) for employee benefits		44	
Other components			
TOTAL COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT (C1)		**117**	**669**
COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT MIGHT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT			
Profit/(loss) on cash flow hedge instruments		(49,541)	43,681
Tax effect on change in fair value in cash flow hedge derivatives		13,393	(8,448)
Other components			
TOTAL COMPREHENSIVE INCOME STATEMENT COMPONENTS THAT MIGHT BE SUBSEQUENTLY RECLASSIFIED IN INCOME STATEMENT (C2)		**(36,148)**	**35,233**
TOTAL OTHER COMPREHENSIVE PROFIT (LOSS), NET OF TAX EFFECT (C) = (C1)+(C2)		**(36,031)**	**35,902**
TOTAL AGGREGATE RESULT FOR THE YEAR (A)+(B)+(C)		**405,238**	**267,895**
of which Group		323,619	184,420
of which Minority interests		81,619	83,475

Consolidated Cash Flow Statement

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	**2023**
PROFIT BEFORE TAX	**603,740**	**314,409**
ADJUSTMENTS FOR:		
Amortisation/depreciation of:		
- intangible assets	16,571	15,632
- property, plant and equipment	13,218	14,599
- assets under concession	31,571	29,813
Write-downs of assets	7,899	3,600
Allocations and releases of provisions	3,345	3,657
Fair value of derivatives on commodities		-
Result of equity investments measured at equity and other companies	146	(2,749)
Financial (income)/charges	2,126	10,889
(Capital gains)/Capital losses and other non-monetary elements		-
Cash flow from operations before changes in net working capital	**678,616**	**389,850**
Increase/(Decrease) in provisions		
Increase/(Decrease) in employee benefits	(834)	(499)
(Increase)/Decrease in inventories	(4,000)	61,390
(Increase)/Decrease in trade receivables	42,733	177,097
(Increase)/Decrease in other assets/liabilities, deferred tax assets and liabilities	(39,025)	19,002
Increase/(Decrease) in trade payables	25,578	(77,739)
Interest and other financial income collected	13,621	12,808
Interest and other financial expenses paid	(15,747)	(23,697)
Utilisation of provisions for risks and charges	(2,131)	(12,208)
Taxes paid	(133,742)	(53,900)
CASH FLOWS FROM OPERATIONS (A)	**565,069**	**492,104**
Net investments in intangible assets	(17,353)	(20,420)
Net investments in property, plant and equipment	(32,838)	(16,102)
Net investments in assets under concession	(78,746)	(78,892)
Net investments in equity investments	(416,666)	(16,203)
(Increase)/Decrease in other investment assets		
CASH FLOWS FROM INVESTMENT/DIVESTMENT ACTIVITIES (B)	**(545,603)**	**(131,617)**
Financial payables (new issues of long-term loans)		
Short-term financial payables (reimbursements and other net changes)	208,543	(3,222)
Medium/long-term financial payables (reimbursements and other net changes)	(13,638)	(364,225)
Dividends paid	(105,668)	(48,127)
Change in consolidation area		
CASH FLOWS FROM FINANCING ACTIVITIES (C)	**89,237**	**(415,574)**
Effect of changes on cash and cash equivalents (d)	-	-
Increase/(Decrease) in cash and cash equivalents (a+b+c+d)	*108,703*	*(55,087)*
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**30,289**	**85,376**
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**138,992**	**30,289**

Consolidated statement of changes in shareholders' equity

(in thousands of Euro)

	Share capital	Share premium reserve	Treasury shares reserve
BALANCE AS AT 31 DECEMBER 2022	411,496	994	(53,515)
TRANSACTIONS WITH SHAREHOLDERS:			
Dividend distribution			
Other transactions with shareholders			
TOTAL TRANSACTIONS WITH SHAREHOLDERS	-	-	-
AGGREGATE RESULT FOR THE YEAR:			
Net profit (loss)			
Change in consolidation area			
Actuarial profit/(loss) for employee benefits, net of tax effect			
Profit/(loss) on cash flow hedge instruments			
TOTAL AGGREGATE RESULT FOR THE YEAR	-	-	-
BALANCE AS AT 31 DECEMBER 2023	411,496	994	(53,515)
TRANSACTIONS WITH SHAREHOLDERS:			
Dividend distribution			
Other transactions with shareholders			
TOTAL TRANSACTIONS WITH SHAREHOLDERS	-	-	-
AGGREGATE RESULT FOR THE YEAR:			
Net profit (loss)			
Change in consolidation area			
Actuarial profit/(loss) for employee benefits, net of tax effect			
Profit/(loss) on cash flow hedge instruments			
TOTAL AGGREGATE RESULT FOR THE YEAR	-	-	-
BALANCE AS AT 31 DECEMBER 2024	411,496	994	(53,515)

Other reserves and retained earnings	Total Other reserves	Net profit/(loss) pertaining to the Group	Total shareholders' equity pertaining to the Group	Shareholders' equity pertaining to minority interests	Total Shareholders' Equity
486,576	**434,055**	**8,710**	**854,261**	**386,764**	**1,241,025**
(14,397)	(14,397)	(8,710)	(23,107)	(25,020)	(48,127)
(602)	(602)		(602)	(397)	(999)
(14,999)	**(14,999)**	**(8,710)**	**(23,709)**	**(25,417)**	**(49,126)**
	-	169,808	169,808	62,185	231,993
	-		-		-
434	434		434	235	669
14,238	14,238		14,238	20,995	35,233
14,672	**14,672**	**169,808**	**184,480**	**83,415**	**267,895**
486,249	**433,728**	**169,808**	**1,015,032**	**444,762**	**1,459,794**
123,593	123,593	(169,808)	(46,215)	(59,465)	(105,680)
(34,380)	(34,380)		(34,380)	(331,993)	(366,373)
89,213	**89,213**	**(169,808)**	**(80,595)**	**(391,458)**	**(472,053)**
	-	348,193	348,193	93,076	441,269
	-		-		-
110	110		110	7	117
(24,684)	(24,684)		(24,684)	(11,465)	(36,149)
(24,574)	**(24,684)**	**348,193**	**323,619**	**81,618**	**405,237**
550,888	**498,367**	**348,193**	**1,258,056**	**134,922**	**1,392,978**

EXPLANATORY NOTES

1. GENERAL INFORMATION

Dolomiti Energia Holding S.p.A. (the "Company" or "DEH") and the companies controlled by the same (the "Dolomiti Energia Group" or the "Group") manage activities in seven different operating segments, as described hereunder:

- Electricity production;
- Heat, Steam and Cooling;
- Commercial and trading;
- Distribution and grids;
- Water cycle and Environment;
- Energy services;
- Other minor services.

Dolomiti Energia Holding S.p.A. is a company established and domiciled in Italy and organised according to legislation of the Italian Republic, with registered office in Rovereto, via Alessandro Manzoni 24.

As at 31 December 2024, the Parent Company's share capital was held by:

Shareholders	No. of Shares	%
PUBLIC ENTITIES		
FINDOLOMITI ENERGIA Srl	199,612,381	48.51%
COMUNE DI TRENTO	24,315,908	5.91%
COMUNE DI ROVERETO	17,852,031	4.34%
COMUNE DI MORI	5,060,563	1.23%
COMUNE DI ALA	3,852,530	0.94%
BIM ADIGE	3,373,989	0.82%
BIM SARCA-MINCIO-GARDA	3,322,260	0.81%
OTHER PUBLIC AUTHORITIES	5,290,357	1.29%
UTILITIES		
AMAMBIENTE S.p.A.	12,630,771	3.07%
AIR AZIENDA INTERCOMUNALE ROTALIANA S.p.A.	4,085,912	0.99%
CEDIS CONSORZIO ELETTRICO DI STORO Scarl	2,783,799	0.68%
PRIMIERO ENERGIA	2,430,900	0.59%
CEIS CONSORZIO ELETTRICO INDUSTRIALE DI STENICO S.c.	2,322,983	0.56%
CEPF POZZA DI FASSA	944,716	0.23%
ACSM AZIENDA CONSORZIALE SERVIZI MUNICIPALIZZATI S.p.A.	823,006	0.20%
AZ. SERV. MUNIC. - TIONE DI TRENTO	14,850	0.00%
PRIVATE ENTITIES		
FT ENERGIA S.P.A.	28,727,315	6.98%
FONDAZIONE CASSA DI RISPARMIO DI TRENTO E ROVERETO	22,218,753	5.40%
EQUITIX ITALIA HOLDCO 1 SRL	20,574,809	5.00%
I.S.A. - IST. ATESINO DI SVILUPPO SpA	17,442,965	4.24%
ENERCOOP S.r.l.	7,417,550	1.80%
MONTAGNA Sig.ra ERMINIA	27,540	0.01%
ELETTROMETALLURGICA TRENTINA Srl	203	0.00%
POMARA dott.ssa. LUCIANA	203	0.00%
TREASURY SHARES	**26,369,875**	
TOTAL	**411,496,169**	**100%**

2. SUMMARY OF THE ACCOUNTING STANDARDS ADOPTED

The main accounting standards and criteria adopted in preparing and drawing up the Group consolidated financial statements (the "**Consolidated Financial Statements**") are reported hereunder. The main accounting standards were applied consistently for all financial years disclosed herein.

2.1 PREPARATION BASIS

The European Regulation (EC) No. 1606/2002 of 19 July 2002, introduced the obligation to apply the International Financial Reporting Standards ("IFRS"), issued by the International Accounting Standards Board ("IASB"), as endorsed by the European Union ("EU IFRS" or "International Accounting Standards"), as from accounting periods beginning in 2005, for the preparation of financial statements of companies with shares and/or bonds listed in one of the regulated markets of the European

Community. Following the above-mentioned European Regulation, on 28 February 2005 the Italian Legislative Decree No. 38 was issued, then amended by Italian Decree Law No. 91 of 24 June 2014, which also governed the possible adoption of International Accounting Standards by unlisted companies for the drawing up of their consolidated financial statements.

The Group elected to adopt the above-mentioned option for the drafting of its consolidated financial statements as at 31 December 2016, by identifying 1 January 2015 as transition date to EU IFRS ("Transition Date"). Additionally, on 14 July 2017, the Parent Company Dolomiti Energia Holding S.p.A. finalised the listing transactions on the Irish Stock Exchange of a previously existing bond loan for a residual nominal amount of 5 million euro, taking on the classification as a Public Interest Entity (PIE) and therefore with the obligation to draw up its own financial statements in accordance with the EU IFRS standards.

The Consolidated Financial Statements were drawn up in compliance with EU IFRS standards in force at the approval date of the same. It should be noted that the wording EU IFRS means all "International Financial Reporting Standards", all "International Accounting Standards" (IAS), as well as all interpretations of "International Reporting Interpretations Committee" (IFRIC), previously called "Standing Interpretation Committee" (SIC) which, at the date of approval of the Consolidated Financial Statements had been endorsed by the European Union according to the procedure envisaged by Regulation (EC) No. 1606/2002, approved by the European Parliament and the European Council on 19 July 2002.

The Consolidated Financial Statements were drafted on an ongoing basis and based on the conventional criterion of the historical cost, except for some accounting items that were recognised at fair value, pursuant to provisions set out in the International Accounting Standards.

These Consolidated Financial Statements were drawn up based on the best knowledge of EU IFRS and taking account of the best knowledge on the matters. Any future guidelines and interpretation updates will be reflected in the following years, according to the modalities envisaged from time to time by reference accounting standards.

In relation to the Ukraine-Russia and Israel-Palestine conflicts, any resulting effects were considered in the analysis of estimates and assumptions used the financial statements, with no specific risks identified.

These Consolidated Financial Statements were approved by the Company's Board of Directors on 27 March 2025.

2.2 FORM AND CONTENT OF ACCOUNTS

As regards the form and content of the consolidated statements, the Group elected the following:

i) the consolidated statement of financial position discloses current and non-current assets, separately and, similarly, current and non-current liabilities;

ii) the consolidated comprehensive income statement includes the profit or loss for the year, as well as changes in shareholders' equity related to financial items that, as expressly envisaged by the International Accounting Standards, are recognised in the shareholders' equity components; and

iii) the consolidated cash flow statement is disclosed according to the indirect method.

The formats used, as described above, are those that better describe the equity and financial position, as well as the economic result of the Group.

These financial statements were drawn up in Euro, functional currency of the Group.

The figures reported in the statements, as well as in the tables included in the Explanatory Notes, are expressed in thousands of Euro, unless otherwise indicated.

The Consolidated Financial Statements are audited by the Independent Auditors Pricewaterhouse-Coopers S.p.A., auditing company of both the Company and the Group.

2.3 CONSOLIDATION AREA AND CHANGES THEREIN

The Consolidated Financial Statements were prepared based on the accounts of both the Company and its subsidiaries, duly adjusted to conform them to the accounting principles of the Parent Company and the EU IFRS standards.

During 2024, compared to 2023, the scope of consolidation changed as follows:

- line-by-line consolidation of EPQ Srl, following the increase in the equity investment from 33% to 100%. As at 31 December 2023, EPQ Srl was consolidated using the equity method;

- line-by-line consolidation of the following acquired companies:

- Fondo Perla srl and New Power Group srl (100% subsidiaries of Dolomiti Transitions Asset srl);
- Power Two srl (100% subsidiary of New Power Group srl);
- Green FIN srl (100% subsidiary of EPQ srl);
- Dolomiti Hydro Storage srl (100% subsidiary of DEH).

The list of companies included in the consolidation area as at 31 December 2024, with indication of share capital and consolidation method used in the preparation of the Consolidated Financial Statements, is reported in the Attachment A herein. The table below indicates the fair value of assets from acquisitions completed in 2024:

(in thousands of Euro)

	EPQ Srl	Fondo Perla Srl	New Power Group Srl	Power Two Srl	Green FIN Srl	Dolomiti Hydro Storage srl
Property, plant and equipment	181	382	256	4	655	1,181
Inventories	-	-	-	-	-	
Trade and other receivables	19,906	230	12	6	1,025	
Current and non-current loans	(7,200)	-	-	-	(1,541)	100
Employee benefits	-	-	-	-	-	
Trade and other payables	(3,315)	(611)	(340)	(5)	(29)	(1,181)
Cash and cash equivalents acquired	3,175	100	171	102	-	
Net value of identifiable assets	**12,747**	**101**	**99**	**107**	**110**	**100**
Goodwill	63,342	-	-	-	248	
Net value of purchased assets	76,089	101	99	107	358	100

With regard to EPQ Srl, the values shown in the table above refer to the entire company. As previously indicated, during the year the Dolomiti Energia Group acquired 67% of EPQ Srl, for an outlay of 50,052 thousand euro. The acquisition of control of EPQ Srl also entailed the fair value measurement of the 33% equity investment already held by the Group, with consequent recognition in the income statement of a gain of 12,949 thousand euro.

In September 2024, the Parent Company Dolomiti Energia Holding S.p.A. increased its equity investment in the subsidiary Hydro Dolomiti Energia Srl from 60% to 100%. In application of the reference accounting standards, the spread between the cost incurred by the Parent Company and the book value of the minority interest at the acquisition date, equal to 34,380 thousand euro, was recorded as a decrease in equity reserves pertaining to the Group.

2.4 CONSOLIDATION PRINCIPLES

The criteria adopted by the Group to define the consolidation area and the related consolidation principles are described hereunder.

SUBSIDIARIES

The subsidiaries are the companies controlled by the Group. The Group controls a company when it is exposed to the variable results of the same and has the power to influence such results by exercising its power on the company. In general, the existence of a control is inferred when the Company owns, either directly or indirectly, more than the half of the voting rights, also considering the possible voting rights that can be exercised or converted.

All subsidiaries are consolidated on a line-by-line basis, on the day in which the control has been transferred to the Group. Conversely, these companies are excluded from the consolidation area as from the day in which this control ceases.

Business combinations are recognised by the Group by using the acquisition method. According to this method:

i) the consideration transferred in a business combination is measured at fair value, calculated as the sum of the fair values of assets transferred and liabilities undertaken by the Group as at the acquisition date, as well as equity instruments issued in exchange of the control of the acquired company. Ancillary costs related to the transaction are recognised in the income statement, when incurred;

ii) identifiable assets acquired and liabilities undertaken are recognised at fair value at the acquisition date. An exception to the above are deferred tax assets and liabilities, assets and liabilities related to employee benefits, liabilities or equity instruments related to share-based payments of the acquired company of share-based payments related to the Group and issued in replacement of previous contracts of the acquired company, as well as assets (or groups of assets and liabilities) held for sale, which are instead measured based on their reference standard;

iii) goodwill is represented by the surplus between the sum of the amount transferred in a business combination, the value of Shareholders' Equity pertaining to minority interests and the fair value of the possible equity investment previously owned in the acquired company, and the fair value of identifiable net assets acquired and liabilities undertaken upon acquisition. If the value of net assets acquired and liabilities undertaken at the acquisition date exceeds the sum of the amounts transferred, the value of shareholders' equity pertaining to minority interests and the fair value of any equity investment previously owned by the company acquired, this surplus is immediately accounted for as income from the transaction and recognised in the income statement;

iv) any payments subject to condition precedent in the business combination agreement are measured at fair value at the acquisition date and are considered in the value of the amounts transferred in the business combination to calculate goodwill.

If business combinations are carried out by steps, the equity investment previously owned in the acquired company is revalued at fair value at the acquisition date of the control and any consequent gains or losses is recognised in the income statement.

If the opening amounts of a business combination are incomplete at the reporting date of the financial statements in which the business combination occurred, the Group will report the provisional amounts of the elements, for which recognition cannot be completed, in its consolidated financial statements. These provisional amounts are adjusted over the adjustment period to take account of new information obtained on events and circumstances existing at the acquisition date which, that if known, would have had an impact on the amount of assets and liabilities recognised at that date.

JOINT ARRANGEMENTS

In measuring joint arrangements, the Group applies IFRS 11. Pursuant to provisions envisaged in IFRS 11, a joint arrangement can be classified both as joint operation and as joint venture, based on a substantial analysis of rights and obligations of the parties. A joint venture is a joint control agreement in which the parties holding the joint control (joint ventures) have rights, amongst other, on the net assets of the agreement. A joint operation is a joint control agreement that grants the parties rights on assets and obligations on liabilities related to the agreement itself. Joint ventures are recognised at equity, while equity investments in a joint operation involve the recognition of assets/liabilities and costs/revenue connected with the agreement based on rights/obligations, regardless of the equity investments owned.

2.5 MEASUREMENT CRITERIA

RIGHTS OF USE (LEASES)

The Group holds tangible assets used in carrying out its business activities, through long-term rental contracts. At the contract start date, it is determined whether the contract is or contains a lease. The definition of a lease under IFRS 16 is applied when the contract transfers the right to control the use of an underlying asset for a period of time in exchange for consideration. The Group recognises an asset consisting of the right to use the underlying asset and a lease liability on the effective date of the contract (i.e. the date on which the underlying asset is available for use). The asset consisting of the right of use represents the lessee's right to use the underlying asset for the duration of the lease and its initial measurement corresponds to the lease liability, initially measured at the present value of the payments due under the contract, to be paid over its term. In calculating the present value of the payments due, the lessee's marginal borrowing rate at the effective date of the lease is used. After the effective date, the lease liability is measured at amortised cost using the effective interest rate method and restated as certain events occur. The Group applies the envisaged exception to the recognition of short-term leases to its contracts with a duration of 12 months or less from the effective date; it also applies the envisaged exception to the recognition of leases in which the underlying asset is of "low value" and the amount of which is estimated as not significant. Payments due on short-term leases and those where the underlying asset is of low value are recognised as an expense on a straight-line basis over the term of the contract. In accordance with the provisions of the standard, the Group separately reports interest expense on lease liabilities and portions of depreciation for assets consisting of the right of use.

LEASED ASSETS (IFRIC 12)

Assets under concession represent the right of the Group to use assets under concession for the management of the electricity distribution service through the subsidiary SET Distribuzione S.p.A. and gas and water distribution services, through the subsidiary Novareti S.p.A., in the pertaining Municipalities in the Trentino Region. The method adopted is the so-called intangible asset method, taking account of the costs borne for the design and building of assets with mandatory return of the assets at expiration of the concession period. The amount corresponds to the fair value of design and building activities, added with financial charges that are capitalised during construction, in compliance with requirements set out by IAS 23. The fair value of building services is determined based on costs actually borne, added by a mark-up representing the best estimate on the remuneration of in-house costs for construction management and design activities carried out by the Group, equal to the mark-up that a general third-party constructor would ask to perform the same activity, as envisaged by IFRIC 12. The logics, underlying the way fair value is calculated, result from the fact that the concession-holder must apply provisions set out by IFRS 15 and therefore, if the fair value of services received (in this case the right to exploit the asset) cannot be reliably determined, the revenue is calculated based on the fair value of the construction services actually rendered. Assets related to construction services underway at the reporting date are measured based on the actual progress of works, pursuant to IFRS 15 and this measurement will be disclosed in the income statement, under item "Revenue from works on assets under concession".

As it is assumed that the future economic benefits of the asset will be used by the concession-holder, the assets under concessions will be amortised along the estimated concession or, in the event the concessions are expired, for the duration of the period estimated from the reporting date and the launch of a new tender for the granting of the concession. For the natural gas distribution concession, on 27 December 2023 the Autonomous Province of Trento (contracting authority) issued the tender which called for the submission of bids by the end of July 2024. Novareti submitted a bid by the specified deadline and is currently awaiting audits by the contracting authority.

Amortisation relating to the assets under concession in relation to natural gas distribution was therefore calculated in consideration of a time span that estimates award of the tender in 2025, taking the estimated RIV as at 31 December 2025 into consideration.

The amount to be amortised is represented by the difference between the acquisition value of assets under concession and their residual value, which is expected will be realised at the end of the useful life of the asset, according to regulations currently in force.

If specified in the concession agreement and can be reliably estimated, the residual value is intended as Residual Industrial Value (RIV). Conversely, the residual value is estimated as the net carrying amount of each single concession at the expiry date of the concession, as set out by the Provincial Law No. 6 of 17 June 2004.

When events occur that indicate impairment of these intangible assets, the difference between book value and recovery value is charged to the income statement. According to Group prior experience, the useful life of assets under concession is longer than the duration of the concession itself. Therefore, in estimating the provisions for the recovery charges of assets under concession, it is unnecessary to recognise charges related to recovery or replacement of assets under concession, as set out when the useful life of assets under concession is shorter than the duration of the concession itself.

GOODWILL

Goodwill is represented by the surplus between the sum of the amount transferred in a business combination, the value of shareholders' equity pertaining to minority interests and the fair value of the possible equity investment previously owned in the acquired company, and the fair value of identifiable net assets acquired and liabilities undertaken upon acquisition. If the value of net assets acquired and liabilities undertaken at the acquisition date exceeds the sum of the amounts transferred, the value of shareholders' equity pertaining to minority interests and the fair value of any equity investment previously owned by the company acquired, this surplus is immediately recognised as income in the income statement.

Goodwill is not amortised, but is tested for impairment ("impairment test") on a yearly basis. The possible reduction in value of goodwill is recognised in the event the recoverable value of goodwill be lower than its book value. The value of goodwill cannot be recovered in the event of a prior impairment loss.

The impairment test is performed at least every year, or in any case in the presence of impairment indicators.

INTANGIBLE ASSETS

Intangible assets include non-monetary elements and are identifiable assets lacking physical substance, controlled by the company and able to produce future economic benefits. Intangible assets are recognised at purchase and/or production cost, including directly attributable expenses incurred to prepare the asset for use, net of accumulated amortisation and possible impairment losses.

Intangible assets are amortised from the time at which the asset becomes available for use. Their amortisation is apportioned systematically in relation to the residual possible use, i.e. based on their estimated useful life.

The useful life estimated by the Group for intangible assets is as follows:

	% Rate
Concessions	Duration of concession
Patent and software rights	20%
Other intangible assets	Duration of reference contracts

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are measured at purchase or production cost, less accumulated depreciation and any impairment loss. The cost includes charges that are directly incurred to permit their use, as well as any possible costs of disassembly and removal that will be borne pursuant to contract obligations requiring to reinstate the original conditions of the asset.

Financial charges, directly attributable to the acquisition, construction and production of an asset, which justify a capitalisation pursuant to IAS 23, will be capitalised on the asset itself as part of its cost.

Charges borne for ordinary and/or cyclical maintenance and repairs are directly charged to income statement, when incurred. The capitalisation of costs related to the expansion, modernisation or improvement of the structural elements whether owned or leased is made within the limits established to be separately classified as assets or part of an asset.

Improvements on third-party assets include costs borne for the set up and modernisation of real estates that are not owned.

Assets are depreciated on a straight-line basis, with rates that allow for depreciation of assets until the end of their useful life.

The useful life estimated by the Group for each single category of property, plant and equipment is as follows:

	% rate
ELECTRICITY	
hydroelectric power plants	2.0%
thermal power plants	2.5%
hydroelectric fittings	8.3%
photovoltaic plants	5.0%
OTHER	
office buildings	3.3%
motor vehicles	12.5%
electronic machines	16.7%

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date of the financial statements, the non-financial assets are tested for impairment. When events occur that indicate impairment of non-financial assets, their recoverability is assessed by comparing the book value with the related recoverable value, represented by the fair value, less disposal charges, and the value in use, whichever higher. The value in use is determined by discounting the expected cash flows resulting from the use of the assets and, if significant and reasonably determined, from their disposal at the end of their useful life, net of disposal charges. Expected cash flows are determined based on reasonable assumptions that can be demonstrated and represent the best estimate of future economic conditions that will occur in the residual useful life of the asset, giving greater importance to external indications. Expected future cash flows, used to determine the value in use, are based on the latest economic and financial forecast containing forecasts on revenue, operating costs and investments. As regards assets that do not generate widely independent cash flows, the recoverable value is determined in relation to the Cash Generating Unit (i.e. the smallest independent CGU resulting from the continuous use), to which they belong. Discounting is carried out at a rate that reflects current market measurements of the time value of money and the specific risks of the asset, which are not already included in the cash flow estimates. In particular, the discount rate used is the Weighted Average Cost of Capital (WACC). The value in use is determined net of the tax effect, as this method produces values that are substantially equivalent to those that can be obtained by discounting the cash flows, including taxes at a discount rate before taxes resulting from the post-tax measurement. The measurement is performed by each single asset or by Cash Generating Unit. When the reasons for impairment no longer exist, the value of assets is recovered and the adjustment is recognised in the income statement as write-up (value write-back). The write-back is carried out at the lower between recoverable value and book value, inclusive of prior write-downs and less amortisation instalments that would have been allocated if the asset were not impaired.

EQUITY INVESTMENTS

Equity investments in companies other than subsidiaries, associates and joint ventures, recorded under non-current assets, represent financial assets available for sale and are measured at fair value. The effects are charged to the shareholders' equity reserve related to the other comprehensive income components. Changes in fair value, recognised in the shareholders' equity, are charged to income statement upon write-down or disposal. When equity investments are not listed on a regulated market and the fair value cannot be reliably determined, they are measured at cost and adjusted to reflect impairment losses.

Dividends from equity investments are recognised in the income statement, under Gains and expenses from equity investments, when shareholders are entitled to receive the payment following the approval by the Shareholders' Meeting and the Board of Directors of subsidiaries.

TRADE RECEIVABLES AND OTHER CURRENT AND NON-CURRENT ASSETS

Trade receivables and other current and non-current assets include financial instruments, mainly related to receivables from customers, not resulting and not listed on any active market, from which fixed or determinable payments are expected. Trade receivables and other receivables are classified in the shareholders' equity, under current assets, except for those with a contract expiry term after twelve months from the reporting date of the financial statements, which are classified under non-current assets.

These financial assets are recognised under assets when the Group becomes a party in the contracts related therewith, and are derecognised from assets, when the right to receive cash flows is transferred together with all risks and benefits associated to the transferred asset.

Trade receivables and other current and non-current assets are originally recorded at their fair value and then at amortised cost, by using the effective interest rate, less impairment losses.

Impairment losses in receivables are recognised in the income statement when there is objective evidence that the Group will not be able to recover the receivables based on contract terms.

The value of the trade receivables is shown in the financial statements net of their provision for write-downs, calculated applying the simplified method and, more specifically, the matrix provision model that is based on identifying default rates by expired brackets observed on a historic basis, applied for the entire expected lifetime of the receivable and updated based on significant future scenario elements.

NON-DERIVATIVE FINANCIAL ASSETS

Non-derivative financial assets are distinguished by fixed or calculable payments not listed in an active market, for which the Group's objective is to achieve the contractual cash flows represented by payment of the principal and interest. These financial assets are stated under current assets if their maturity term is within 12 months; otherwise, they are stated under non-current assets.

Financial assets are recognised initially at fair value, inclusive of ancillary costs related to the transaction. After the initial recognition, financial assets are measured at amortised cost, based on the effective interest rate method and tested for impairment.

At each reporting date, the Group assesses whether there is objective evidence that a financial asset or a group of financial assets are being impaired. A financial asset or a group of financial assets is impaired or should be written-down if and only if there is objective evidence of impairment, resulting from events following the first accounting of assets and that the impairment loss has an impact on future cash flows that can be reliably estimated. The objective evidence of impairment of assets can result from the following circumstances:

i) significant financial difficulties of the debtor;

ii) contract breaches, as non-payment of interest or principal;

iii) the creditor, for economic or legal reasons connected with the financial difficulties of the debtor, grants the debtor facilities that would not be considered in other cases;

iv) it is probable that the debtor be bankrupt or be subject to a composition procedure with creditors; or

v) the active market of financial assets no longer exists.

INVENTORIES

Inventories of raw, ancillary and consumable materials and merchandise are measured at the lower between average weighted cost and market value at the financial statement date. The average weighted cost is determined by reference period in relation to each inventory code. The average weighted cost includes the direct costs of labour and materials as well as (variable and fixed) indirect costs. Inventories related to energy certificates (TEE, GO, EUA and VER) are measured with the FIFO (first in first out) method, which is deemed as better reflecting the current market value, given that the prices of these certificates are subject to strong oscillations, also over periods shorter than twelve months. Inventories are constantly monitored and, when necessary, obsolete materials are written-down and charged to the Income Statement.

FINANCIAL DERIVATIVES

All derivative financial instruments (including embedded derivatives) are measured at fair value.

Derivative instruments can be accounted for using the hedge-accounting approach only when:

- at inception of the hedging, the hedging relationship is formally defined and documented;
- hedging is assumed to be highly effective;
- effectiveness can be reliably measured;
- the hedge itself can be highly effective during the various accounting periods for which it is designated.

When derivative instruments qualify for hedge accounting, the following accounting treatment is applied:

i) *Fair value hedge* – If a financial derivative is designated as a hedge for exposure to the changes in the current value of a recognised asset or liability, the change in fair value of the hedging derivative is recognised in the income statement, consistently with the fair value measurement of hedged assets and liabilities.

ii) *Cash flow hedge* – If a financial derivative is designated as a hedge for exposure to the variability of cash flows of an asset or liability, or of an expected, highly probable transaction that may affect the income statement, the effective portion of profit or losses on the financial instrument is recognised in the Shareholders' Equity. The cumulated profit or loss is written-off from the Shareholders' Equity and recognised in the income statement in the same period when the hedged transaction is recognised. The profit or loss related to a hedge or to any ineffective portion is recognised in the income statement, when the ineffective portion is recognised.
When the conditions for hedge accounting are not present, changes in fair value of the derivative are charged to the income statement.

DETERMINATION OF FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value of financial instruments listed on an active market is based on market prices at the reporting date. Fair value of financial instruments unlisted on an active market is instead determined by using valuation techniques based on methods and assumptions linked to market conditions at the reporting date.

SEGMENT DISCLOSURE

Information on business segments was provided according to provisions set out by IFRS 8 "Operating segments", which envisages disclosures that are consistent with the modalities the management had adopted to make operating decisions. Therefore, operating segments are identified and disclosures are made based on the internal reporting used by the management for the purpose of allocation resources to the various segments and the analysis of the related performance.

According to IFRS 8, an operating segment is a component of an entity that: i) undertakes business operations that generate revenue and costs (including revenue and costs concerning operations with other components of the same entity); ii) the operating results of which are reviewed periodically at the entity's highest operational decision-making level for the adoption of decisions on the resources to be allocated to the segment and an assessment of results; iii) for which separate financial statements information is available.

Operating segments identified by the management, in which all services and products supplied to customers are included, are identified as follows:

- Electricity production;
- Heat, Steam and Cooling;
- Commercial and trading;
- Distribution and grids;
- Water cycle and Environment;
- Energy services;
- Other minor services.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, bank current accounts and deposits repayable on demand and other short-term financial investments with high liquidity that are readily convertible into cash, or can be transformed in cash within 90 days from the original acquisition, and are subject to an insignificant risk regarding their change in value.

TREASURY SHARES

The repurchase of treasury shares, as instruments representing the transferred capital, are deducted from equity. No profit or loss is recognised in the comprehensive income statement upon purchase, sale, issue or derecognition of equity instruments of an entity. The consideration paid or received is recognised directly to shareholders' equity.

The amount of treasury shares owned is disclosed separate in the explanatory notes, pursuant to provisions set out by IAS 1 – Presentation of Financial Statements. An entity discloses supplementary information, pursuant to IAS 24 – Related Party Disclosures, if the entity repurchases its equity instruments from related parties.

FINANCIAL LIABILITIES, TRADE AND OTHER PAYABLES

Financial liabilities (excluding derivative instruments), trade payables and other payables are initially recorded at fair value, less directly attributable ancillary costs, and they are then measured at amortised cost, by applying the effective interest rate method. If a determined change in estimated cash flows occurs, the value of liabilities is recalculated to reflect this change, based on the actual value of the expected new cash flows and the internal yield rate that has been initially determined.

Financial liabilities are classified under current liabilities, except in the event the Group has an unconditional right to defer payment for at least 12 months from the reference date.

Financial liabilities are derecognised from the financial statements upon redemption and when the Group has transferred all related risks and charges to the instrument itself.

PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges include losses and liabilities of a specific nature whose existence is certain or probable, but whose timing and extent are unknown.

Provisions are recognised only when there is a current (statutory or implied) obligation for a future outgoing of resources, resulting from a past event, and it is likely to be necessary to use such resources to fulfil the obligation. This amount represents the best estimate of the charge required to settle the obligation. The rate used to determine the current value of the liability reflects the current market values and considers the specific risk attributable to each single liability.

When the financial effect of the passing of time is significant and the payment dates of the obligations can be reliably estimated, the provisions are measured at the current value of the disbursement envisaged by using a rate that would reflect market conditions, the change in the cost of money over time and the specific risk connected with the obligation. The increase in the provision value, determined by changes in the cost of money over time, is accounted for as financial charge.

The risks for which the occurrence of a liability is merely possible are eventually indicated in the special section on possible liabilities and no allocation is provided.

PERSONNEL-RELATED PROVISIONS

Personnel-related provisions include: i) defined-contribution plans and ii) defined-benefit plans.

With reference to defined-contribution plans, costs related to these plans are recognised in the income statement, when incurred.

With reference to defined-benefit plans, Group net liabilities are determined separate for each plan, by estimating the current value of future benefits that employees have accrued over the year and prior years, and deducting fair value of any plan assets. The current value of obligations is based on the use of actuarial methods, which assign the benefit deriving from the plan to the periods in which the obligation arises (Projected Unit Credit Method) and is based on actuarial assumptions that are objective and comparable. Plan assets are measured and recognised at fair value.

If the above calculation reports a possible asset, the amount to be paid is limited to the actual value of each economic benefit available, under the form of reimbursements or reductions of future contributions to the plan (asset threshold).

The cost components of defined benefits are recognised as follows:

- costs related to service performance are recognised in the income statement, under "personnel costs" item, while
- net financial charges on defined-benefit liabilities or assets are recognised in the income statement under "Financial income/(charges)" item, and are calculated by multiplying the value of net liabilities/(assets) by the rate used to discounting obligations, taking account of payments of contributions made and benefits during the period;

- the remeasuring components of net liabilities, including actuarial profits and losses, the yield of assets (excluding interest income recognised in the income statement), as well as any change in the asset threshold, are immediately recognised in the comprehensive income statement, under changes in shareholders' equity related to financial items. These components must not be reclassified under the financial components in a subsequent period.

PUBLIC GRANTS

Public grants are recognised at their fair value when there is the reasonable certainty that all conditions required to their achievement be fulfilled and that they will be received. Grants received for specific expenses are recognised as liabilities and systematically charged to the income statement over the years, as a counter-balance of related expenses.

Investment grants, including non-monetary grants measured at fair value, are recorded as deferred income, systematically and rationally charged as income over the useful life of the asset.

ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current and current assets of disposal groups are classified as held for sale if the related book value is recovered mainly through the sale. This condition is deemed as fulfilled when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its current conditions. Non-current assets held for sale, current and non-current assets related to disposal groups and liabilities directly attributable are recognised in the statement of financial position, separate from other assets and liabilities.

Non-current assets held for sale are not amortised and are measured at the lower of their book value and the related fair value, less the costs of sale.

Any difference between book value and fair value, less the costs of sale, is charged to the income statement as write-down. Any recoveries in value are recognised until recovery of the previously recorded write-downs, including those that were recognised before the classification of the asset as held for sale.

Non-current assets, as well as current and non-current assets of disposal groups, classified as held for sale, represent a discontinued operation if, either of the following occurs:

- they represent a business unit of core business or a geographical area of core business; or
- they are part in a disposal program of an important business unit of core business or a geographical area of core business; or
- they are a subsidiary acquired exclusively to be sold.

The results of the discontinued operations, as well as any capital gain/loss from the sale, are disclosed separate in the income statement, under a special item, less all related tax effects. The financial values of discontinued operations are also disclosed for years considered for comparison purpose.

REVENUE RECOGNITION

Revenue is recognised based on the recognition model provided for by IFRS 15, which is based on 5 steps:

i. identification of the contract with the customer. The term contract means the approved trade agreement between two or more parties that creates demandable rights and obligations. The standard contains specific provisions for assessing whether two or more contracts must be combined with each other and for identifying the accounting implications of a contractual amendment;

ii. identification of the "performance obligations" contained in the contract;

iii. determination of the "transaction price". Among other things, in order to determine the transaction price, it is necessary to consider the following elements:

- any amounts collected on behalf of third parties that must be left out of the consideration;
- variable price components (such as performance bonuses, penalties, discounts, refunds, incentives, etc.);
- financial component, if the terms of payment grant the customer a significant extension;

iv. allocation of the price to the performance obligations on the basis of the "Relative Stand Alone Selling Price";

v. recognition of revenue when the performance obligation is met. Transfer of the asset or service takes place when the customer obtains control of the asset or service, that is to say, when it has the ability to decide and/or address its use and basically obtain all of its benefits. The principle stated by IAS 18 for which the revenue is recognised by looking at the benefits that can be gained from the asset and at the assessment of likelihood of collecting the relevant receivable is replaced. Control can be transferred at a point in time or over time.

According to the type of transaction, revenue is recognised based on the following specific criteria:

i. revenue from the sale and distribution of electricity, thermal energy, gas, heat and steam is recognised upon the transfer of ownership, which mainly occurs when the good is supplied or the service rendered, albeit still not invoiced, and is determined by supplementing the consumption read through meters with adequate estimates,

ii. revenue for the sale of certificates is recorded upon transfer thereof,

iii. revenue from services rendered is recorded upon supply, or according to contract clauses.

RECOGNITION OF COSTS

Costs are recognised upon acquisition of an asset or service.

TAXES

Current taxes are calculated based on the taxable income for the year, by applying tax rates in force at the reporting date.

Deferred tax assets and liabilities are calculated based on all differences that arise between tax value of an asset or liability and the related carrying amount. Deferred tax assets, including those related to prior tax losses, are recognised to the extent that it is probable that there will be future taxable income to which that tax loss can be applied. Deferred tax assets and liabilities are determined by using the tax rate that it is estimated will be applicable in the years in which the differences will be realised or extinguished, based on the enacted or substantially enacted tax rate at the reporting date.

Current, deferred tax assets and liabilities are recognised in the income statement, except for those related to items directly debited or credited to Shareholders' Equity; in this case, also the related tax effect will be recognised directly to Shareholders' Equity. Taxes are offset when they are applied by the same tax authority and there is a legal right to offsetting.

3. ESTIMATES AND ASSUMPTIONS

Preparation of financial statements requires directors to apply accounting principles and methodologies that, in some cases, are based on valuations and estimates, which in turn are based on historic experience and assumptions considered reasonable and realistic according to circumstances at any given time. The application of such estimates and assumptions affects the amounts reported in financial statements, as well as the information disclosed. The ultimate actual amounts of accounting items, for which these estimates and assumptions have been used, might differ from those reported in the financial statements, showing the effects of the occurrence of the estimated item, due to the uncertainty characterising the assumptions and conditions on which estimates are based.

Below a short list is provided of the accounting items related to the Group that require greater subjectivity on the part of directors in developing estimates and for which any change in conditions underlying assumptions made could have a significant impact on the Group's financial results.

a) **Impairment Test**: the carrying amount of property, plant and equipment and intangible assets is periodically tested for impairment and whenever circumstances or events require a more frequent assessment. The impairment test shall be carried out on goodwill at least once a year when the accounts are closed. Whenever it is deemed that a carrying amount of a group of fixed assets has suffered an impairment loss, the same is written-down to the related recoverable value, estimated based on the use and future sale of the asset, in relation to provisions set out in the latest business plans. It is deemed that estimates of these recoverable values are reasonable. However, possible changes in the estimate factors, on which the calculation of the aforesaid recoverable values is based, might result in different valuations.

b) **Provision for write-downs**: the provision for write-downs reflects the best estimate made by directors on doubtful receivables from customers. This estimate is based on expected losses incurred by the Group, determined according to past experience made for similar receivables, current and historic overdue amounts, the careful monitoring of creditworthiness and projections on economic and market positions.

c) **Deferred tax assets**: deferred tax assets are recognised on the basis of expectations of taxable income in future years to be used for their recovery. The valuation of the expected taxable income for the purpose of recognising deferred tax assets depends on factors that can vary over time and significantly affect the deferred tax assets recoverability.

d) **Provisions for risks and charges**: with respect to legal risks, allocations are recognised representing the risk of an unfavourable outcome of disputes. The value of provisions in the financial statements related to these risks represents the best estimate to date made by directors. This estimate entails the adoption of assumptions depending on factors that might change over time and that might therefore have a significant impact on current estimates made by directors in the drafting of Group financial statements.

e) **Fair value of derivative financial instruments**: the calculation of the fair value of unlisted financial assets, such as derivatives, is determined through financial measurement methods generally used and that require basic assumptions and estimates. These assumptions might not occur in the expected times and modalities. Estimates made by the Group might therefore differ from closing figures.

f) **Intangible assets**: the fair value of construction services that are included in assets under concession and are accounted for according to IFRIC 12, is determined based on the costs actually incurred, added with a mark-up. The latter represents the best estimate on the consideration of in-house costs for work management and planning performed by the Group, equal to the mark-up that a general third-party constructor might ask to render the same service, as envisaged by IFRIC 12.

g) **Amortisation and depreciation of intangible assets and property, plant and equipment**: property, plant and equipment and intangible assets are depreciated/amortised on a straight-line basis along the useful life of each single asset. The useful life of property, plant and equipment and intangible assets is determined when they are purchased, based on the historic experience on similar assets, market conditions and advances concerning future events that might have an impact, such as changes in technology. The actual economic life might therefore differ from the estimated useful life. The Group assesses segment and technological changes on an annual basis, as well as any changes in contract provisions and in regulations in force related to the use of property, plant and equipment and intangible assets, and the recovery value used to update the residual useful life. The result of these analyses might modify the amortisation/depreciation period and therefore the amortisation/depreciation rate for both the current and future years.

h) **Equalisation**: the "equalisation" component is estimated for an amount corresponding to the positive or negative difference between the revenue made from end customers and the "revenue restrictions" (VRT) calculated in accordance with the ARERA decisions, updated to the date the financial statements are prepared.

RISKS AND OPPORTUNITIES ASSOCIATED WITH CLIMATE CHANGE

With regard to climate issues, addressed in detail in the sustainability report, the Dolomiti Energia Group analysed the possible financial effects deriving from these assumptions, drawing the following conclusions.

The Group carried out an analysis of the (acute and chronic) physical risks associated with climate change, the scope of which included a selection of assets considered representative of the various economic activities carried out by the Group companies, and was performed over the short, medium and long-term time horizons. The evolution of the exposure of assets in scope in the medium and long term was studied considering the climate scenario RCP 8.5 (Representative Concentration Pathway), i.e., the case scenario describing the most significant increase in temperatures and concentration of greenhouse gases in the atmosphere at a global level. In order to identify assets at material physical risk, the exposure to extreme weather events – acute and chronic – was assessed considering the location of the assets in the scope. The analysis was conducted on the basis of historical and forecast data obtained from internationally recognised public sources, selected on the basis of data quality and availability. Subsequently, based on the results obtained and the economic data related to each site (e.g., net book value, production values in terms of EBITDA), the possible financial implications in terms of costs for damage to the asset and/or economic losses due to the interruption of activities were quantified. The results of the activities carried out showed that a large proportion of the sites are located in areas that are particularly exposed to some of the extreme climate events considered (e.g., tornado, hail, high winds). Nevertheless, also taking into account both the structural characteristics of the sites and the present or planned mitigators, no material physical climate risk event emerged with respect to the financial materiality threshold, from the point of view of both gross and net risk. Note that the mitigation measures were mapped with the involvement of the Group's management, and verified both the presence of tangible mitigators, i.e., physical and/or structural safeguards put in place to reduce the entity of the impacts, and intangible mitigators, i.e., insurance cover aimed at limiting the economic impact on the Group.

The Group carried out an analysis of transition risks and opportunities related to climate change, which considered the Net Zero Emissions scenario (NZE - defined by the IEA (International Energy Agency) as the best case scenario for outlining a path to maximise efforts to contain global temperatures below 1.5 ° C – in line with the Paris Agreement – with a view to achieving the net zero emissions target by 2050), to assess the impact on the Group in terms of transition risks and opportunities. Through targeted interviews with top management, the Group identified and measured material risks and opportunities, assessing the gross financial impacts/benefits. The risks and opportunities found to be material are described in section E1 of the Sustainability Statement in this document and are the result of this assessment.

CURRENT FINANCIAL EFFECTS

The material risks and opportunities from the double materiality analysis, described in the section IRO 1 of the Sustainability Statement in this document, were brought to the attention of the Administrative Manager of DEH and the Group's ESG Manager in order to identify any current financial effects to be indicated in the Report on Operations. Following analysis of the results of the financial materiality analysis (and in consideration of the principle of prudence adopted in the reporting of accounting documents), it was found that none of the material risks and opportunities had any current financial effects – or significant impacts on the values reported in the 2024 Report on Operations – and that there is no material risk of significant adjustments, in 2025, to the book values of assets and liabilities reported in the 2024 Report on Operations.

In preparing the various impairment tests regarding the value of equity investments and the value of goodwill, the possible implications and influences of climate change on future cash flows were carefully assessed, drawing the conclusion that the current analysis confirms the lack of material effects both for the specific nature of the activities of companies subject to impairment testing and for the time horizon taken into consideration.

4. ACCOUNTING STANDARDS: AMENDMENTS AND INTERPRETATIONS THAT ARE APPLICABLE IN THESE FINANCIAL STATEMENTS

The following accounting standards and amendments to the accounting standards issued by IASB and implemented by the European Union, where foreseen, are mandatorily applicable starting from 1 January 2024.

- Amendments to IAS 1 "Presentation of financial statements".

  The amendments, issued on 31 October 2022 and effective from 1 January 2024 with early application permitted, clarify the requirements to be considered in determining whether, in the statement of financial position, payables and other liabilities with an uncertain settlement date should be classified as current or non-current (including payables extinguishable by conversion into equity instruments). The proposed changes clarify that a liability is classed as current when, at the closing date of the year, the entity does not have the right to defer its payment for at least 12 months. The right to defer payment must not be unconditional, but rather substantial and existent at the year-end date. It is irrelevant whether the entity intends to exercise this right or not during the subsequent 12 months (e.g. the intention to refinance a loan by extending its maturity) and any decisions adopted between the reporting date and the publication of the financial statements (e.g. decision to arrange early repayment of the loan). Furthermore, if the right to defer payment beyond 12 months on a liability arising from a loan agreement is dependent on compliance with covenants, classification of the liability is current or non-current must take the following into account:

  - compliance with contractual covenants up to the financial statements closing date is material in determining the existence or not of the right to defer payment of the liability for at least 12 months;
  - compliance with contractual covenants up to the financial statements closing date is not material in determining the existence or not of the right to defer payment of the liability for at least 12 months.

  With reference to disclosure in the financial statements, the entity must provide the following additional information in the explanatory notes to the financial statements in reference to subsequent events that do not result in an adjustment:

  - long-term refinancing of a liability classed as current;
  - settlement of a breach of a long-term loan agreement classified as a current liability;
  - granting by the lender of a grace period for settlement of a breach of a long-term loan agreement classified as a current liability;
  - settlement of a liability classed as non-current.

  If the entity has liabilities deriving from loan agreements classed as non-current, on which the right to defer payment is dependent upon compliance with covenants to be calculated in the 12 months after the closing date of the financial statements, the following additional information must be provided in the explanatory notes to the financial statements:

  - amount of non-current liabilities subject to compliance with covenants in the following 12 months;
  - description of the covenants and indication of the dates on which the entity must comply with them;

- events and circumstances, if any, proving the entity's difficulty in complying with the covenants (e.g. action taken before and/or after the reporting date to avoid breach of the covenants, the fact that the covenants to be complied with in the following 12 months would be breached if the figures as at year end were used).

- **Amendments to IFRS 16 "Leases: Lease Liability in a Sale and Leaseback".**
  The amendments, issued on 22 September 2022 and applicable from 1 January 2024 with early application permitted, concern the accounting of a sale and leaseback transaction, which provides for the payment of variable fees by the lessee-seller.

- **Amendments to IAS 7 "Statement of Cash Flows".**
  On 25 May 2023, the IASB published "Supplier Finance Arrangements", amending IAS 7 to regulate the requirements for the presentation of liabilities and related cash flows deriving from supply chain finance arrangements and related additional disclosures. Before the amendments, neither IAS 7 nor IFRS 7 envisaged specific disclosure requirements for reverse factoring. The standard requires information to be provided that allows financial statements users to assess the nature and extent of the risks deriving from financial instruments to which the entity is exposed; reverse factoring often gives rise to liquidity risk due to the concentration of part of the liabilities with one financial institution.

With reference to the application of these standards, amendments and new interpretations, it should be noted that there was no impact on the Company's 2024 financial statements.

Accounting standards endorsed by the European Union but applicable to financial years after 31 December 2024

The following accounting standards, amendments to accounting standards and interpretations issued by the IASB and endorsed by the European Union at the date of presentation of the 2024 financial statements shall be applied for the financial years following 2024.

- **Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates".**
  On 15 August 2023, the IASB published "Lack of Exchangeability", which mainly defined:
  - The requirements for establishing when a currency is convertible into another and when it is not;
  - The requirements for estimating the spot exchange rate when a currency is not convertible into another and the related additional disclosure requirements.

This amendment will enter into force from 1 January 2025.

- **Amendments to IFRS 18 "Presentation and Disclosure in Financial Statements".**
  The issue of IFRS 18, published on 9 April 2024, concluded the IASB project relating to interventions on financial disclosures in the financial statements. This standard aims to improve disclosures on company performance in terms of comparability, transparency and usefulness of information published in financial statements, and introduces substantial changes to their structure, particularly to the Income Statement. The focus is mainly on:
  - The introduction of classification requirements for income and expense items in five different categories of the Income Statement, including a new mandatory sub-total: "operating profit (loss)";
  - The introduction of general principles on how information is to be aggregated and disaggregated;

- The disclosure on financial performance indicators.

This amendment will enter into force from 1 January 2027, but early adoption is permitted.

Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures"

On 30 May 2024, the IASB issued an amendment on the classification and measurement of financial instruments. The amendments to IFRS 9 concern the derecognition of a financial liability settled using an electronic payment system and indications on how to classify financial assets with environmental, social and governance (ESG) characteristics. The amendments to IFRS 7, on the other hand, concern the disclosure to be provided on investments in equity instruments designated at fair value.

This amendment will enter into force from 1 January 2026.

5. MARKET RISK

5.1 INTEREST RATE RISK

The Group is exposed to interest rate risk since it has loans and deposits with third parties partly at a floating rate. Changes in market interest rates affect the cost and the yield of the various credit and deposit facilities, therefore affecting the amount of Group financial income and charges. The Group regularly assesses its exposure to the interest rate risk.

As at 31 December 2024, the Group financial indebtedness included the following:

- bond loan, amounting to 110,000 thousand euro, at a fixed rate of 4.6%, issued by the subsidiary SET S.p.A.;
- bond loan, amounting to 5,052 thousand euro, at a floating rate, issued by the parent company Dolomiti Energia Holding S.p.A.;
- floating rate loans benchmarked to the Euribor rate for the period and at fixed rate.

During 2023, a variable-rate mortgage was fully repaid for 350,000 thousand euro, agreed with a pool of banks by the Parent Company Dolomiti Energia Holding S.p.A. and 80% backed by a SACE guarantee pursuant to the "Aiuti" Decree (Italian Law Decree No. 50 of 17 May 2022), as amended.

In order to mitigate the risk of interest rate fluctuations, on some loans the Group has entered into *interest rate swap* agreements, with the aim of mitigating the possible impact of interest rate fluctuations on the economic result.

The main characteristics of derivatives subscribed by the Group to hedge interest rate fluctuations, in place as at 31 December 2024 and 31 December 2023, are summarised as follows:

IRS

	AS AT 31 DECEMBER 2024	
Date of transaction	25/05/2017	26/05/2017
Company	Dolomiti Energia Holding Spa	Dolomiti Energia Holding Spa
Counterparty	Unicredit	Intesa San Paolo
Effective date	01/01/2021	01/01/2021
Maturity	30/09/2032	30/09/2032
Notional in Euro	32,291,667	32,291,667
Floating interest rate	Euribors 3M (floor -0,80)	Euribors 3M (floor -0,80)
Fixed interest rate	1.34%	1.32%
Fair value	1,035,479	1,053,565

	AS AT 31 DECEMBER 2023	
Date of transaction	25/05/2017	26/05/2017
Company	Dolomiti Energia Holding Spa	Dolomiti Energia Holding Spa
Counterparty	Unicredit	Intesa San Paolo
Effective date	01/01/2021	01/01/2021
Maturity	30/09/2032	30/09/2032
Notional in Euro	36,458,333	36,458,333
Floating interest rate	Euribors 3M (floor -0,80)	Euribors 3M (floor -0,80)
Fixed interest rate	1.34%	1.32%
Fair value	1,707,393	1,731,530

SENSITIVITY ANALYSIS RELATED TO INTEREST RATE RISK

The Group's exposure to the interest rate risk was measured through a sensitivity analysis that considered the contracted floating rate exposures. Within the hypotheses made, the effects on the Group's Income Statement and Shareholders' Equity as at 31 December 2024 were evaluated with respect to a possible change in market rates, which discounted 50 bps write-up and write-down, respectively. The calculation method applied the hypothesis of changes in the interest rate applied during the year to the gross bank indebtedness and deposits. This analysis is based on the assumption of a general and prompt change in the reference interest rate level.

The result of this hypothetical and immediate change in interest rates applicable to the Group's floating rate financial liabilities and deposits are shown in the following table:

(in thousands of Euro)

	Impact on profit, net of tax effect		Impact on shareholders' equity, net of tax effect	
	- 50 bps	+ 50 bps	- 50 bps	+ 50 bps
Year ended 31 December 2024	312	(312)	312	(312)
Year ended 31 December 2023	206	(206)	206	(206)

5.2 COMMODITY RISK

The price risk of commodities, related to price volatility of energy commodities (gas, electricity, fuel oil, etc.), as well as of environment certificates (incentive tariffs, white certificates, etc.), consists in possible negative effects that changes in market prices of one or more commodities might determine on cash flows and Group income prospects. The "Finance and Risk Management" department is in charge of monitoring risks resulting from price fluctuations and, to this purpose, the Group uses derivative instruments, mainly peaks, with the aim of mitigating, at economically acceptable terms, the possible impact of price volatility on the economic result.

The main characteristics of derivatives subscribed by the Group and in place as at 31 December 2024 and 31 December 2023 to hedge commodity price risk, which for accounting purposes can be classified as hedging and non-hedging, are summarised as follows:

Commodity

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Date of transaction	2022/2023/2024	2020/2021/2022
Company	Dolomiti Energia Trading SpA	Dolomiti Energia Trading SpA
Counterparty	various (*)	various (*)
Underlying	Power/Gas/CO2	Power/Gas/CO2
Maturity	2025/2026	2024/2025/2026
Notional value of buy transactions	(146,079)	196,102
Fair value of buy transactions	23,372	(31,562)
Notional value of sell transactions	264,419	343,343
Fair value of sell transactions	(41,723)	62,876

(*) European Energy Exchange, leading banks and electricity and gas wholesalers.

5.3 CREDIT RISK

The credit risk represents the Group's exposure to possible losses resulting from the non-fulfilment of obligations undertaken by the counterparties.

This type of risk is managed by the Group through special procedures and mitigation measures, aimed at both assessing creditworthiness of the counterparty and constantly checking that the exposure thresholds be complied with, as well as through adequate guarantees.

Trade receivables are recognised in the financial statements net of any write-downs determined on the basis of the default risk of the counterparties, taking into account the information available on solvency of the customer and the historical data.

The overall exposure to credit risk as at 31 December 2024 and 31 December 2023 is represented by the sum of financial assets recorded in the financial statements, summarised as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Receivables from customers	421,893	477,602
Receivables from associates	42	27
Receivables from parent companies	25	96
Receivables from sister companies	8,201	1,882
Provision for write-downs	(18,778)	(17,592)
TOTAL	411,383	462,015

5.4 LIQUIDITY RISK

The liquidity risk can be represented by the inability to obtain the necessary financial resources, at acceptable economic terms, for the Group's operations. The two main factors that affect Group's liquidity are as follows:

- financial resources generated or absorbed by operating or investing activities;
- maturity or renewal terms of the financial debt.

A prudent management of the liquidity risk originated by normal operations involve the maintenance of an adequate level of cash and cash equivalents, short-term securities and the availability of provisions that could be obtained through an adequate amount of credit lines. The Group's liquidity requirements are monitored by a centralised department, in view of securing the finding of financial resources and adequate investment/yield of liquidity.

The following table analyses the financial liabilities (including trade and other payables) that are expected to be redeemed within the year, in a period between one and five years and after 5 years:

(in thousands of Euro)	MATURITY		
As at 31 December 2024	**Within 1 year**	**Between 1 and 5 years**	**Beyond 5 years**
Trade payables	300,916		
Payables due to banks and other lenders	348,301	186,476	86,423
Liabilities for current taxes	78,177		
Other payables	75,928	123,680	
TOTAL	**801,322**	**310,156**	**86,423**

(in thousands of Euro)	MATURITY		
As at 31 December 2023	**Within 1 year**	**Between 1 and 5 years**	**Beyond 5 years**
Trade payables	275,338		
Payables due to banks and other lenders	139,758	65,993	220,543
Liabilities for current taxes	45,915		
Other payables	65,727	117,828	
TOTAL	**526,738**	**183,821**	**220,543**

5.5 FAIR VALUE ESTIMATE

As regards financial instruments measured at fair value, the following table shows information on the method adopted to determine the fair value. The possible methods are broken down in the following levels, based on the source of available information, as described hereunder:

- Level 1: fair value is measured with reference to prices quoted (unadjusted) in active markets for identical financial instruments;
- Level 2: fair value is measured based on measurement techniques taking benchmark parameters that are observable on the markets;
- Level 3: fair value is measured based on measurement techniques taking benchmark parameters that are not observable on the market.

Group financial instruments recognised at fair value are classified under level 2 and the general criterion used to calculate the same is the current value of future cash flows envisaged by the instrument being measured.

The following table shows assets and liabilities measured at fair value as at 31 December 2024 and 31 December 2023:

(in thousands of Euro)	AS AT 31 DECEMBER 2024		
	Level 1	Level 2	Level 3
Derivative instruments (interest rate swaps)	-	2,089	-
Financial derivatives (commodities)*	-	(18,351)	-

[* this amount includes the fair value of all derivatives that, under an accounting viewpoint, are classified as both hedging and not hedging. The positive fair value of the financial derivatives (commodities) is composed of those with positive fair value for 23,200 thousand euro and negative fair value for 41,551 thousand euro.]

(in thousands of Euro)	AS AT 31 DECEMBER 2023		
	Level 1	Level 2	Level 3
Derivative instruments (interest rate swaps)	-	3,439	-
Financial derivatives (commodities)*	-	31,314	-

[* this amount includes the fair value of all derivatives that, under an accounting viewpoint, are classified as both hedging and not hedging. The positive fair value of the financial derivatives (commodities) is composed of those with positive fair value for 80,443 thousand euro and negative fair value for 49,129 thousand euro.]

It should be noted that trade receivables and payables were measured at carrying amount, as the latter is deemed as similar to the current value.

The following table shows financial assets and liabilities as at 31 December 2024 and 31 December 2023 broken down by category:

(in thousands of Euro)	AS AT 31 DECEMBER 2024			
	Financial assets/ liabilities measured at *amortised cost*	Financial assets/ liabilities measured at fair value FVOCI	Financial assets/ liabilities measured at fair value FVTPL	Total
CURRENT ASSETS				
Cash and cash equivalents	138,992	-	-	138,992
Trade receivables	411,383	-	-	411,383
Other current assets	95,259	-	-	95,259
Current financial assets	50,961	2,213	20,988	74,162
NON-CURRENT ASSETS				
Other non-current assets	31,748	-	-	31,748
Non-current financial assets	9,190	2,089	-	11,279
CURRENT LIABILITIES				
Trade payables	300,916	-	-	300,916
Current financial liabilities	307,134	19,359	21,808	348,301
Other current payables	73,928	-	-	73,928
NON-CURRENT LIABILITIES				
Non-current financial liabilities	272,514	385	-	272,899
Other non-current payables	123,680	-	-	123,680

(in thousands of Euro)	AS AT 31 DECEMBER 2023			
	Financial assets/ liabilities measured at *amortised cost*	Financial assets/ liabilities measured at fair value FVOCI	Financial assets/ liabilities measured at fair value FVTPL	Total
CURRENT ASSETS				
Cash and cash equivalents	30,289	-	-	30,289
Trade receivables	462,015	-	-	462,015
Other current assets	54,945	-	-	54,945
Current financial assets	36,506	26,223	54,220	116,949
NON-CURRENT ASSETS				
Other non-current assets	23,464	-	-	23,464
Non-current financial assets	6,983	4,507		11,490
CURRENT LIABILITIES				
Trade payables	275,338	-	-	275,338
Current financial liabilities	92,449	825	46,484	139,758
Other current payables	65,727	-	-	65,727
NON-CURRENT LIABILITIES				
Non-current financial liabilities	284,716	24	1,796	286,536
Other non-current payables	117,828	-	-	117,828

As at 31 December 2024, current and non-current financial liabilities include the value of fixed-rate bonds for 117,082 thousand euro (note 7.18), whose fair value as at 31 December 2024 is a negative 117,454 thousand euro; this amount was calculated by applying measurement techniques with reference to non-observable market variables (level 3 classification and fair value equal to the current value of the future cash flows provided under the instrument being measured).

6. INFORMATION ON OPERATING SEGMENTS

The identification of the operating segments and the related information reported herein were based on the elements that the management used in operational decision-making. In particular, the internal reporting, periodically reviewed and used by the Group top management, refers to the following operating segments:

- Electricity production;
- Heat, Steam and Cooling production;
- Distribution and grids;
- Commercial and trading;
- Water cycle and Environment;
- Energy services;
- Other minor services.

The results of the operating segments are measured through the analysis of EBITDA performance (defined as profit for the period before amortisation/depreciation, allocations to provision for risks, write-downs of assets, financial income and charges and taxes) and of EBIT. In particular, the management deems that EBITDA is a good performance indicator, as it is not affected by tax regulations and amortisation/depreciation policies.

(in thousands of Euro)	2024							
	Electricity production	Heat, Steam and Cooling production	Distribution and grids	Commercial and trading	Water cycle and Environment	Energy services	Other minor services	Total
EBITDA	478,864	1,893	78,939	90,117	8,963	**26,133**	(6,439)	**678,470**
EBIT	466,734	(468)	50,734	79,859	832	**24,330**	(16,155)	**605,866**

(in thousands of Euro)	2023							
	Electricity production	Heat, Steam and Cooling production	Distribution and grids	Commercial and trading	Water cycle and Environment	Energy services	Other minor services	Total
EBITDA	261,072	4,373	65,732	47,379	9,854	**7,671**	(3,482)	**392,599**
EBIT	245,237	2,079	39,197	44,115	2,782	**5,129**	(13,241)	**325,298**

7. NOTES TO THE STATEMENT OF FINANCIAL POSITION

7.1 RIGHTS OF USE

Changes in "Rights of Use" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Rights of use - buildings	Rights of use - other assets	Total
BALANCE AS AT 31 DECEMBER 2022	**3.798**	**3.229**	**7.027**
Of which:			
Historical cost	20.408	6.475	26.883
Accumulated amortisation	(16.610)	(3.246)	(19.856)
Increases	363	880	1.243
Amortisation	(1.092)	(1.079)	(2.171)
Disinvestments	(126)	(1.080)	(1.206)
Decreases (accumulated amortisation)	110	1.116	1.226
Change (accumulated amortisation)			-
BALANCE AS AT 31 DECEMBER 2023	**3.053**	**3.066**	**6.119**
Of which:			
Historical cost	20.645	6.275	26.920
Accumulated amortisation	(17.592)	(3.209)	(20.801)
Increases	566	2.832	3.398
Amortisation	(1.109)	(1.120)	(2.229)
Disinvestments	(423)	(3.765)	(4.188)
Decreases (accumulated amortisation)	129	2.806	2.935
Change (accumulated amortisation)			-
BALANCE AS AT 31 DECEMBER 2024	**2.216**	**3.819**	**6.035**
Of which:			
Historical cost	20.788	5.342	26.130
Accumulated amortisation	(18.572)	(1.523)	(20.095)

"Rights of use of buildings" amounting to 2,216 thousand euro refer to contracts on property complexes to be used as headquarters and offices all over the territory.

"Rights of use of other goods" amounting to 3,819 thousand euro refer to contracts for vehicles with an average duration of 5 years. For the company cars, the Group decided on long-term rentals and at the expiry of these contracts, they are replaced with new vehicles and new long-term contracts; sometimes, at the natural expiry of these contracts, they are extended for a further 12 months without a formal renewal.

The information required under EU standard IFRS 16 par. 53 is provided below:

(in thousands of Euro)

	Notes	As at 31 December 2024
Amortisation of rights of use	8.07	2,229
Interest expense on financial liabilities for leases	8.10	85
Short-term contract related costs	8.05	1,524
Costs related to contracts for low value goods	8.05	708
Costs related to variable lease payments not included in the measurement of the liability		-
Income from sub-leasing of substantial assets in the right of use		-
TOTAL FINANCIAL OUTFLOW FOR LEASES		**5,287**
Profits/(losses) from sales and leaseback transactions		-

7.2 ASSETS UNDER CONCESSION

Changes in "Assets under concession" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Electric grid	Gas network	Water network	Total
BALANCE AS AT 31 DECEMBER 2022	**346,455**	**233,710**	**79,505**	**659,670**
Of which:				
Historical cost	835,550	406,401	158,387	1,400,338
Accumulated amortisation	(489,095)	(172,227)	(78,882)	(740,204)
Increases	60,742	16,469	8,533	85,744
Decreases (historical cost)	(14,687)	(631)	(640)	(15,958)
Decreases (accumulated amortisation)	10,014	247	149	10,410
Reclassifications (accumulated amortisation)		-		-
Amortisation	(20,172)	(3,011)	(4,459)	(27,642)
Change (accumulated amortisation)		-		-
BALANCE AS AT 31 DECEMBER 2023	**382,352**	**247,248**	**83,088**	**712,688**
Of which:				
Historical cost	881,605	422,239	166,280	1,470,124
Accumulated amortisation	(499,253)	(174,991)	(83,192)	(757,436)
Increases	56,739	15,840	5,896	78,475
Decreases (historical cost)	(10,067)	(85)	(269)	(10,421)
Decreases (accumulated amortisation)	9,296	48	81	9,425
Reclassifications (accumulated amortisation)		-		-
Amortisation	(20,868)	(3,810)	(4,664)	(29,342)
Change (accumulated amortisation)		-		-
BALANCE AS AT 31 DECEMBER 2024	**417,452**	**259,241**	**84,132**	**760,825**
Of which:				
Historical cost	928,277	437,994	171,907	1,538,178
Accumulated amortisation	(510,825)	(178,753)	(87,775)	(777,353)

The increases in assets under concession reflect the continuous extraordinary investments and improvements to the Group's gas and water networks and electricity grids.

IMPAIRMENT TESTS ON RIGHTS ON ASSETS UNDER CONCESSION

At the year-end date, the Group performed impairment tests in order to assess the existence of any impairment loss with reference to the amounts accounted for under item Rights on assets under concession, for the distribution of electricity.

The test is performed by comparing the carrying value of the asset, or group of assets, included in the Cash Generating Unit, with the recoverable value of the same asset, resulting from the higher value between fair value (less any sales cost) and the value of net discounted cash flows that are estimated will be generated by the asset or the group of assets included in the CGU (value in use). The impairment test was based on the explicit cash flows stated in the 2025 budget and the 2026-2028 economic and financial plan prepared by management, alongside the expected residual value of the works and the assets built during the concession period, which is expected to be received at the end of the concession.

For impairment testing, the Group determined one single CGU coinciding with the subsidiary SET.

The cash flow discount rate used (WACC), which reflects market valuations of the cost of money and the specific risks of the business sector, net of taxes, is equal to 4.09% (5.6% before tax), also using as reference the remuneration recognised to distribution operators by ARERA and the electricity measure as announced in ARERA Resolution No. 513/2024/R/Com of 28 November 2024, while the assumed growth rate is 0.

The impairment test performed highlighted no impairment losses with respect to amounts accounted for under rights on assets under concession referring to the distribution of electricity and therefore, no write-downs were made on these assets. Even increasing the WACC used by 25%, the impairment test does not bring to light any impairment.

As regards assets under concession for gas distribution, the agreements with the Public Authority envisage that, upon expiry and consequent purchase of assets under concession, the consideration for the concession holder (Novareti) be equal to the Residual Industrial Value (RIV), which is higher than the Net Carrying Amount of assets.

As regards assets under concession for water distribution, regulations in force (Provincial Law No. 6 of 17 June 2004 "Provisions on organisation of personnel and public services") envisage that (Art. 10, par. 5) "upon expiry of concession, assets acquired or possibly realised by the contractor of the service, while implementing the investment plan, shall be made available to the new contractor who shall pay an indemnity, to be determined, to the prior contractor, except for special segment regulations, to the extent equal to the value of the non-amortised portion, net of any already paid considerations".

In light of such provisions, no impairment indicators were identified as regards assets under concession for the distribution of gas and assets under concession for the distribution of water.

7.3 GOODWILL AND OTHER INTANGIBLE ASSETS

Changes in "Goodwill and other intangible assets" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Goodwill	Concessions	Industrial patent and intellectual property rights	Other	Work in progress and advance payments	Total
BALANCE AS AT 31 DECEMBER 2022	**36,830**	**15,956**	**18,686**	**3,494**	**9,666**	**84,632**
Of which:						
Historical cost	37,160	67,220	74,008	12,673	9,814	200,875
Accumulated amortisation	(330)	(51,264)	(55,322)	(9,179)	(148)	(116,243)
Increases	139	-	7,501	573	12,277	20,490
Decreases (historical cost)	-	-	(2)	-	(68)	(70)
Decreases (accumulated amortisation)	-	-	-	-	-	-
Reclassifications (historical cost)	-	-	-	-	-	-
Reclassifications (accumulated amortisation)	-	-	-	-	-	-
Amortisation	(103)	(5,810)	(8,776)	(943)	-	(15,632)
Write-downs	-	-	-	-	-	-
Change in consolidation area	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2023	**36,866**	**10,146**	**17,409**	**3,124**	**21,875**	**89,420**
Of which:						
Historical cost	37,299	67,220	81,507	13,246	22,023	221,295
Accumulated amortisation	(433)	(57,074)	(64,098)	(10,122)	(148)	(131,875)
Increases	-	-	24,701	4,238	6,139	35,078
Decreases (historical cost)	63,590	-	-	-	(19,820)	43,770
Decreases (accumulated amortisation)	-	-	(70)	(102)	-	(172)
Reclassifications (historical cost)	-	-	-	-	-	-
Reclassifications (accumulated amortisation)	-	-	-	-	-	-
Amortisation	(103)	(2,314)	(12,973)	(1,181)	-	(16,571)
Write-downs	-	-	-	-	-	-
Change in consolidation area	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2024	**100,353**	**7,832**	**29,067**	**6,079**	**8,194**	**151,525**
Of which:						
Historical cost	100,889	67,220	106,208	17,484	8,342	300,143
Accumulated amortisation	(536)	(59,388)	(77,141)	(11,405)	(148)	(148,618)

IMPAIRMENT TESTING ON GOODWILL AS AT 31 DECEMBER 2024

As envisaged by IAS 36, the Group performed impairment tests to verify the possible recovery in value of goodwill in the financial statements, for the CGUs coinciding with the companies SET Distribuzione (electricity distribution), Dolomiti Energia (electricity and gas sales) and EPQ (energy services). The test is performed by comparing the carrying value of the asset, or group of assets, included in the Cash Generating Unit, with the recoverable value of the same asset, resulting from the higher value between fair value (less any sales cost) and the value of net discounted cash flows that are estimated will be generated by the asset or the group of assets included in the CGU (value in use).

For the CGU referring to electricity distribution activities, the goodwill of which amounted to 30,415 thousand euro, the impairment test was based on the explicit cash flows stated in the 2025 budget and the 2026-2028 economic and financial situation prepared by management, alongside the expected residual value of the works and the assets built during the concession period, which the Company expects to receive at the end of the concession. The cash flow discount rate used (WACC), which reflects market valuations of the cost of money and the specific risks of the business sector, net of taxes, is equal to 4.09% (5.6% before tax), also using as reference the remuneration recognised to distribution operators by ARERA and the electricity measure as announced in ARERA Resolution No. 513/2024/R/Com of 28 November 2024, while the assumed growth rate is 0. The impairment test performed brought to light no impairment with reference to the CGU at 31 December 2024 and, as a result, these assets were not written down.

For the CGU referring to electricity and gas sales, the goodwill of which amounted to 5,589 thousand euro, the impairment test was based on the explicit cash flows stated in the 2025 budget and the 2026-2028 economic and financial situation prepared by management. The cash flow discount rate used (WACC), which reflects market valuations of the cost of money and the specific risks of the business sector, net of taxes, is equal to 9.5%, while the assumed growth rate is 0. The impairment test performed brought to light no impairment with reference to the amounts recognised on goodwill at 31 December 2024 and, as a result, these assets were not written down.

For the CGU referring to energy services, the goodwill of which amounted to 63,342 thousand euro, the impairment test was based on the explicit cash flows stated in the 2025 budget and the 2026-2028 economic and financial situation prepared by management. The cash flow discount rate used (WACC), which reflects market valuations of the cost of money and the specific risks of the business sector, net of taxes, is equal to 9.5%, while the assumed growth rate is 0. The impairment test performed brought to light no impairment with reference to the amounts recognised on goodwill at 31 December 2024 and, as a result, these assets were not written down.

For both CGUs, even increasing the WACC used by 25%, the impairment test would not bring to light any impairment.

"Concessions" primarily include the value allocated to this item upon first full consolidation of the investee Hydro Dolomiti Energia Srl, which took place starting from 1 March 2016.

Industrial patent and intellectual property rights fully include the costs relating to the acquisition, implementation and development of software serving the activities carried out by the companies belonging to the Dolomiti Energia Group.

7.4 PROPERTY, PLANT AND EQUIPMENT

Changes in "Property, plant and equipment" item are shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)

	Land and buildings	Plant and equipment	Industrial and c ommercial fittings	Other assets	Work in progress and advance payments	Total
BALANCE AS AT 31 DECEMBER 2022	91.921	814.780	7.524	6.725	4.301	925.251
Of which:						
Historical cost	140.121	1.442.365	26.253	30.802	4.301	1.643.842
Accumulated depreciation	(48.200)	(627.585)	(18.729)	(24.077)	-	(718.591)
Increases	2.313	7.462	580	2.776	6.201	19.332
Decreases (historical cost)	(251)	(3.242)	(2)	(100)	-	(3.595)
Decreases (accumulated depreciation)	96	1.503	2	98	-	1.699
Reclassifications (historical cost)	-	-	-	-	(1.334)	(1.334)
Reclassifications (accumulated depreciation)	-	-	-	-	-	-
Depreciation	(1.726)	(11.010)	(366)	(1.490)	(7)	(14.599)
Change in consolidation area	-	-	-	-	-	
historical cost	-	-	-	-	-	-
depreciation	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2023	92.353	809.493	7.738	8.009	9.161	926.754
Of which:						
Historical cost	142.847	1.399.199	26.831	33.478	9.168	1.611.523
Accumulated depreciation	(50.494)	(589.706)	(19.093)	(25.469)	(7)	(684.769)
Increases	4.401	9.435	2.587	4.834	19.305	40.562
Decreases (historical cost)	(106)	(1.782)	-	(275)	(5.256)	(7.419)
Decreases (accumulated depreciation)	7	1.493	-	111	-	1.611
Reclassifications (historical cost)	-	-	-	-	-	-
Reclassifications (accumulated depreciation)	-	-	-	-	-	-
Depreciation	(1.932)	(9.227)	(353)	(1.706)	-	(13.218)
Change in consolidation area	-	-	-	-	-	
historical cost	-	-	-	-	-	-
depreciation						
BALANCE AS AT 31 DECEMBER 2024	94.723	809.412	9.972	10.973	23.210	948.290
Of which:						
Historical cost	147.142	1.406.852	29.418	38.037	23.217	1.644.666
Accumulated depreciation	(52.419)	(597.440)	(19.446)	(27.064)	(7)	(696.376)

Investments for the year are mainly referred to extraordinary maintenance, works for regulatory adjustments and enlargement of owned networks and grids, as well as of hydroelectric plants.

The other changes for the year are attributable to the ordinary performance of investments and depreciation.

With reference to the hydroelectric plants, the concessions on many of which are expiring in upcoming years, below is a summary of the reference regulatory framework for large diversion concessions.

REGULATORY AND TARIFF FRAMEWORK

The reassignment of diversion concessions.
Given the complexity of the regulatory framework relating to the important and impactful issue of the reassignment of hydroelectric diversion concessions, for completeness of information and the need for an overview for their correct understanding, the considerations already contained in the report to the financial statements for the previous year, supplemented on the basis of developments in 2024.

Italian Law No. 205 of 27 December 2017 "State forecast budget for financial year 2018 and multi-year budget for the 2018-2020 three-year period" in Article 1, Paragraphs 832 and 833 replaced Article 13 of the Consolidated Law per Italian Presidential Decree No. 670 of 31 August 1972 and in short it assigned to the provinces of Trento and Bolzano the authority to regulate with their own laws "the methods and procedures for the assignment of concessions for large water diversions for hydroelectric purposes, establishing in particular procedural rules for the conduct of tenders, the terms for calling such tenders, the admission and award criteria, the financial, organisational and technical requirements of the participants".

Said law also provided as follows:

a) the concessions of large diversions in the provinces of Trento and Bolzano, with expiration date prior to 31 December 2022, are extended de jure for the period useful to complete the public disclosure procedures and in any case not beyond the aforesaid date;

b) to the concessionaire who, at its own expense, made investments on the "wet works" (penstocks, collection and regulation works, discharge channels) shall be recognise, at the expiry of the concession, an indemnity equal to the value of the part of asset that is not depreciated, according to criteria that shall be set forth in a provincial law.

Subsequently, with the entry into effect of Italian Law No. 160 of 27 December 2019 "State forecast budget for financial year 2020 and multi-year budget for the 2020-2022 three-year period" - ref. Articles 76 and 77 - Article 13 of the consolidated text per Italian Presidential Decree No. 670 of 31 August 1972 was amended once again; more specifically, the words "31 December 2022" were replaced by the following: "31 December 2023" and following the words "the aforementioned date" the following was added: "and exercised up to that date under the conditions established by the Provincial laws and rules and regulations of the concession in place at the date of their expiry".

On 21 October 2020, Provincial Law No. 9 was approved, which, by modifying Provincial Law No. 4/1998, regulated the procedural rules for the holding of competitions and therefore implemented the provisions of Art. 13 of Italian Presidential Decree No. 670 of 31 August 1972.

In November and December 2020, the Water and Energy Resources Management Department of the

Autonomous Province of Trent notified the extension by right of the thirteen large hydroelectric concessions held by HDE "for the period needed to complete the public bidding process and, in any case, not later than 31 December 2023, pursuant to Article 13 of Italian Presidential Decree No. 670 of 31 August 1972 and Provincial Law No. 4 of 6 March 1998".

In the light of the above and in consideration of the further postponement of the 31 December 2023 deadline to 31 December 2024 due to the regulations introduced in 2022 as described below, in 2022 the Group arranged depreciation remodelling of the assets subject to reversion free of charge.

The precept set out in point b) above has been set out, though not exhaustively regulated, in Article 26-quater of the updated Provincial Law No. 4/1998; this Article states that the outgoing concession holder is entitled to an indemnity equal to the value of the part of the asset which has not been depreciated under the following conditions:

I. exclusively in reference to investments on the assets referred to in the first paragraph of Article 25 of Italian Royal Decree No. 1775 of 1933, also provided for by the acts of concession, subject to authorisation of the Province, provided that the increase in the overall producibility of the plant or its modulating capacity or the overall efficiency of the same is achieved;

II. the concession holder has entrusted the works, supplies and services undertaken in order to carry out the investments on the assets in compliance with the public evidence procedures provided for by the legislation on public contracts.

In consideration of the absence of investments with the characteristics referred to in point I. above and given the failure to define the indemnity calculation method, which Provincial Law 4/1998 entrusted to a specific Council Resolution, the assumption of zeroing the net book value of "wet works" at the end of the concession has been confirmed.

Further salient elements contained in the aforementioned Provincial Law No. 9 of 21 October 2020 are as follows:

- with regard to the method used to evaluate so-called "dry" works (basically, hydroelectric power plants and their contents), the criterion set forth in paragraph 2 of Article 25 of Italian Royal Decree No. 1775 of 11 December 1933 is reiterated, contrary to what is established by the national legislation, "price equal to the estimated value of the material being worked, calculated at the time of entry into possession, not considering the income that can be made from it from any measurement";
- the assets referred to in the preceding point may be acquired by the Autonomous Province of Trento; otherwise, the assets may be acquired by the incoming concession holder, if the latter provides for their use when submitting its bid; the provincial law therefore also establishes the concept of "cherry picking", i.e. the right given to the incoming concession holder not to acquire all or part of the dry assets, without the consequent obligation to pay compensation to the transferor. Any assets not transferred will therefore remain fully available to the transferor, which can freely dispose of them, also through sale to third parties other than the incoming concession holder;
- in the context of verifying the existence of interests in the competing use of water, which is a preliminary act with respect to the tender procedures, special consideration will be given to initiatives involving "positive effects on the territory and the community generated also by the historical electric cooperatives" referring to the case of self-production;

- the subject of the call for tender (concession and its characteristics) will be defined through an Environmental Impact Assessment procedure that will have as its initial reference the current concessions, possibly aggregated or, in some cases, unbundled, pre-restricted following the assessment of the existence of competing use interests referred to in the previous point;
- in accordance with the provisions of national law, concessions may be awarded through the use of one of the following methods:
    - o running of a public procurement procedure;
    - o assignment to mixed public-private companies established in accordance with the provisions of the same law;
    - o through forms of public-private partnership, pursuant to Article 179 of Italian Legislative Decree No. 50 of 18 April 2016 (Public Contracts Code);
- the contents of the call for tender are defined as well as the requirements of the participants, part of which will be calibrated on the basis of the characteristics of the specific concession.

On 18 December 2020, the Council of Ministers ordered that Provincial Law No. 9 of 21 October 2020 be challenged in the Constitutional Court, with subsequent appeal No. 140 of 24 December 2020, in the same way as it had already been ordered for similar regulations of the Lombardy, Veneto and Piedmont Regions.

Against this challenge, Trento Autonomous Province, by means of two subsequent legislative measures, Provincial Law No. 6 of 23 April 2021 and Provincial Law No. 18 of 04 August 2021, amended the reference standard to incorporate the content of the aforementioned appeal.

The same legislative measures introduced important innovations also and above all with regard to the regulations governing concessions for small hydroelectric diversions, significantly modifying Provincial Law No. 18 of 8 July 1976 introducing ex novo the provision of a tender also for these concessions on their natural expiry, postponing the rules to a subsequent regulation.

The regulation was approved on 20 October 2023 by Provincial Council Resolution No. 2057, and issued by Italian Presidential Decree No. 28-104 of 27 October 2023, despite the tougher and known significance of Constitutional Court decision No. 265 of 10 November 2022 which, in relation to assessment of the constitutional nature of the extensions introduced by Friuli Venezia Giulia Regional Law 13/2021, expressed its opinion in favour, confirming that the specific case of the Public Contracts Code was inapplicable and emphasising that the current state regulatory framework on small hydroelectric diversion concessions, dating back to Royal Decree No. 1775/1933, is in no manner whatsoever inspired by competitive needs.

Again with specific regard to small hydroelectric diversions, on 4 August 2023 Provincial Council Resolution No. 1386 established criteria that allow direct reassignment to the outgoing concession holder, essentially consisting in the need/possibility to confirm subjugation of the plants under concession to self-consumption or powering of Energy Communities, production and distribution cooperatives or groups acting in concert.

Returning to the context of large diversion concessions, despite the dismissal (in September 2021) of infringement proceedings 2011/2016 relating to Italy, together with similar proceedings against Germany, the United Kingdom, Poland, Austria and Switzerland, on 2 August 2022 the Italian Parliament, in compliance with NRRP provisions (prepared and approved prior to the aforementioned dismissal), approved Italia Law 118/2022 (2021 Annual Market and Competition Law). Art. 7 of this law introduced remodelling and postponement of the deadlines granted by the Regional Authorities for completion of related legislative activities (31 December 2023) and for conclusion of the reassignment procedures (31 December 2025). Art. 7, paragraph 2 of the law amended Art. 13, paragraph 6 of Italian Presidential Decree No. 670 of 31 August 1972, confirming the extension to 31 December 2024 of concessions already expired under Italian Law 34/2022 and dynamically linking this new deadline to a subsequent deadline which could be defined at national level ("or later date decided by the State for similar large hydroelectric diversion concessions located in Italy").

On 30 November 2022, the Provincial Council approved Law No. 16/2022 (in force from 9 December 2022) which, amending Provincial Law No. 4/98, envisages deferral from 2024 to 2029 of the deadline for conclusion of the reassignment procedures for large hydroelectric plant concessions due to expire by 31 December 2024. The aim of this Provincial Law is to mitigate the negative effects of the energy crisis in the short and long terms. The measure introduces the option for concession holders to submit a business plan to the Provincial Administration for increasing the efficiency, resilience, accumulation capacity, as well as the capacity and energy performances of existing plants. At the same time, a new variable charge was added to support energy consumption costs within the province.

On 2 February 2023, the Italian Council of Ministers challenged the above-described Provincial Law before the Constitutional Court. In 2023, the Provincial and State Authorities set up a discussion group to solve the dispute brought before the Constitutional Court. As a result, based on the joint petition, the first hearing scheduled for October 2023 was adjourned to May 2024 then again in 2024 to a date not yet established.

Nevertheless, with Resolution no. 1658 of 18 October 2024, the Council of the Autonomous Province of Trento revised the deadline for major hydroelectric water diversion concessions. This was achieved through an administrative interpretation of Article 13, paragraph 6 of Italian Presidential Decree 670/1972, establishing, for each large diversion within the province, the "later date set by the State for similar large hydroelectric diversion concessions across Italy." This adjustment serves as a basis for updating and effectively replacing the existing concession deadlines. This process, for all the large diversion concessions held by the Group, as "former Enel", led to redefinition of the previous deadline of 31 December 2024 to a new deadline of 31 March 2029, the date envisaged in Italian Legislative Decree 79/99 ("Bersani Decree") for concessions currently held by Enel.

Although this is effectively an "extension of rights", it is worth specifying and clarifying that the new deadlines shall be considered "final", as the extension will be valid "only for the time necessary to finalise the reassignment procedures", which consequently are not halted by the measure but, rather, extended over a period of time which cannot, in any event, exceed the new deadlines established.

The new scenario, the effects of which are strictly local, i.e., limited to the Autonomous Provinces of Trento and Bolzano, provides a de facto solution to the stalemate situation that had blocked the launch of the planned procedure for "extension to 2029 through submission of a Business Plan" pursuant to Italian Provincial Law 16/2022.

As a result of postponement of the deadline, in 2024 the Group again arranged depreciation remodelling of the assets subject to reversion free of charge.

At national level, the action of contracting authorities in 2024 was confused and uncoordinated. Despite the Regional regulations in force, national law envisaged and still envisages 31 December 2023 as the deadline, now passed, for the launch of the reassignment procedures. As far as we are aware, only the Lombardy and Abruzzo Region Administrations acted in compliance with the law, the first issuing Regional Council resolution on 18 December 2023 that launched tenders for the reassignment of two concessions with subsequent tenders in April 2024, and the second, issuing Regional Agency Decision for the Contracting Authority on 31 December 2023 that launched a tender for three concessions, later cancelled in March 2024 by the Regional Agency following announcement by the relevant Italian Ministry of a review of the entire regional regulatory system. Lastly, in 2024 there were no developments in the public-private partnership proposal submitted in 2023 by the outgoing concession holder in relation to 6 concessions in the Piedmont Region, despite the feasibility study for the proposal having assessed positively that same year.

7.5 EQUITY INVESTMENTS MEASURED AT EQUITY AND OTHER COMPANIES

The "Equity investments measured at equity and other companies" item is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Equity investments in associates	63.018	74.018
Equity investments in other companies	21.748	23.854
TOTAL EQUITY INVESTMENTS	**84.766**	**97.872**

Associates include companies measured at equity. For the description of investees, reference is made to the following pages.

Changes in equity investments in associates and other companies for the year ended 31 December 2024 and 2023 are shown hereunder:

(in thousands of Euro)

	% of share capital as at 31 December 2023	As at 1 January 2023	Acquisitions - Sales	Other changes	Revaluations	Write-downs	As at 31 December 2023	Acquisitions - Sales	Other changes	Write-downs, Revaluations, Adjustments	As at 31 December 2024
ASSOCIATES											
SF ENERGY	50.00%	24,913	-	-		(661)	24,252			(638)	23,614
IVI GNL	50.00%	490	-	-		(15)	475			(14)	461
NEOGY	50.00%	-	-	-		-	-				-
ECOPUGLIA ENEGIA	42.73%	-	15,958	-		254	16,212			413	16,625
GIUDICARIE GAS	43.35%	1,417	-	-		42	1,459			63	1,522
EPQ	33.00%	11,193	245	-		265	11,703	(11,703)			-
RABBIES ENERGIA	31.02%	2,518	-	-		41	2,559			67	2,626
TECNODATA	25.00%	373	-	-		(47)	326			(8)	318
BIOENERGIA TRENTINO	24.90%	1,538	-	-		675	2,213			233	2,446
MASOENERGIA	26.25%	1,498	-	-		55	1,553			(48)	1,505
AGS Riva del Garda	20.00%	10,624	-	-		2,104	12,728			680	13,408
SG ELETRICA BRASIL	20.00%	7	-	-		-	7			(7)	-
VERMIGLIANA	20.00%	474	-	-		35	509			(18)	491
RENEWABILITY		-	20	-		-	20		(20)	-	-
ENERGY_NET	20.00%	2	-	-		-	2				2
TOTAL ASSOCIATES		**55,067**	**16,223**	**-**	**-**	**2,748**	**74,018**	**(11,703)**	**(20)**	**723**	**63,018**
OTHER COMPANIES											
PRIMIERO ENERGIA	19.94%	4,615	-	-		-	4,615				4,615
INIZIATIVE BRESCIANE	16.53%	17,660	-	-		-	17,660			(2,265)	15,395
BIO ENERGIA FIEMME	11.46%	785	-	-		-	785				785
CHERRYCHAIN	10.00%	300	-	-		-	300				300
DISTR. TECNOL. TRENT. S. Cons.	1.77%	5	-	-		-	5				5
ISTITUTO ATESINO SVILUPPO	0.32%	387	-	-		-	387				387
RENEVABILITY		20	-	(20)		-	-		39		39
SPREENTECH	-	100	-	-		-	100		120		220
COOPERATIVA ENERGYLAND	-	1	-	-		-	1				1
CONS.ASSINDUSTRIA ENERGIA	-	1	-	-		-	1				1
TOTAL OTHER COMPANIES		**23,854**	**-**	**-**	**-**	**-**	**23,854**	**-**	**159**	**(2,265)**	**21,748**
		78,921	**16,223**	**-**	**(20)**	**2,748**	**97,872**	**(11,703)**	**139**	**1,542**	**84,766**

Equity investments in associates were measured at equity using the relative financial statements as at 31 December 2024 approved by the respective administrative bodies, with the exception of the equity investments in Giudicaria Gas, Rabbies Energia, Tecnodata, Bioenergia Trentino, Masoenergia, AGS Riva del Garda and Vermigliana for which the financial statements as at 31 December 2023 were used (as the financial statements as at 31 December 2024 were not yet available).

The summary of economic and financial figures for joint ventures by entity, as at 31 December 2024 and 2023, is shown hereunder:

(in thousands of Euro) SUMMARY DATA AS AT 31/12/2024

	SF Energy Srl 50%	Neogy srl 50%
Dividends received		
INCOME STATEMENT		
Revenue	18,893	12,553
GROSS OPERATING MARGIN	**1,522**	**(436)**
Amortisation, depreciation and write-downs	(756)	(1,314)
NET OPERATING RESULT	**766**	**(1,750)**
Interest income	291	
Interest expense	(449)	(648)
Income taxes	(168)	1,686
PROFIT/(LOSS) FOR THE YEAR	**440**	**(712)**
STATEMENT OF FINANCIAL POSITION		
Total assets	50,274	24,284
Shareholders' Equity	18,945	279
Cash and cash equivalents	7,475	1,537
Current financial liabilities	-	(18,231)
Non-current financial liabilities	18,226	

(in thousands of Euro) SUMMARY DATA AS AT 31/12/2023

	SF Energy Srl 50%	Neogy srl 50%
Dividends received		
INCOME STATEMENT		
Revenue	20,307	8,089
GROSS OPERATING MARGIN	**2,008**	**(297)**
Amortisation, depreciation and write-downs	(1,223)	(1,004)
NET OPERATING RESULT	**785**	**(1,301)**
Interest income	28	
Interest expense	(360)	(100)
Income taxes	(64)	
PROFIT/(LOSS) FOR THE YEAR	**389**	**(1,401)**
STATEMENT OF FINANCIAL POSITION		
Total assets	47,136	13,240
Shareholders' Equity	19,384	(509)
Cash and cash equivalents	9,012	797
Current financial liabilities	-	(10,000)
Non-current financial liabilities	16,000	

ASSOCIATES AND JOINT VENTURES

Information on the main associates and joint ventures in which the Group owns equity investments is shown hereunder.

SF ENERGY Srl – Bolzano. Fully paid-up Share Capital of 7,500,000 euro, divided into 7,500,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 50.00% of the Share Capital, equal to 3,750,000 shares with a nominal value of 3,750,000 euro. The company is the large diversion concession holder of the hydroelectric plant of San Floriano (Egna). The equity investment valuation reflects expectations of significant future cash flows linked to the duration of the concessions.

NEOGY Srl – Bolzano. Fully paid-up Share Capital of 750,000 euro, divided into 750,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 50.00% of the Share Capital, equal to 375,000 shares with a nominal value of 375,000 euro. The company was established from the joint venture between Dolomiti Energia and Alperia in order to jointly promote electrical mobility and with the aim of organising a widespread recharging infrastructure in the territory to serve both private customers and companies.

IVI GNL Srl – Santa Giusta Oristano. Fully paid-up Share Capital of 1,100,000 euro, divided into 1,100,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 50% of the Share Capital, equal to 550,000 shares with a nominal value of 550,000 euro. IVI GNL operates in the sector of gaseous fuels distribution and the construction of regasification and storage plants for liquid methane gas.

GIUDICARIE GAS S.p.A. – Tione di Trento. Fully paid-up Share Capital of 1,780,023 euro, represented by 36,327 shares with a value of 49 euro each; Dolomiti Energia Holding holds 43.35% of the Share Capital, equal to 15,746 shares with a nominal value of 771,554 euro. The Company provides the methane gas distribution service in the Valli Giudicarie District.

TECNODATA TRENTINA Srl – Trento. Fully paid-up Share Capital of 12,560 euro, represented by 12,560 shares with a value of 1 euro each; Dolomiti Energia Holding holds 25% of the Share Capital, equal to 3,140 shares with a nominal value of 3,140 euro. The company operates in the IT field of interconnection services.

BIOENERGIA TRENTINO Srl – San Michele All'Adige. Fully paid-up Share Capital of 3,000,000 euro, represented by 3,000,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 24.90% of the Share Capital, equal to 747,000 shares with a nominal value of 747,000 euro. The company was established with the aim of producing renewable energy by using biomass derived from waste.

ALTO GARDA SERVIZI S.p.A. – Riva del Garda. Fully paid-up Share Capital of 23,234,016 euro, represented by 446,808 shares with a value of 52 euro each; Dolomiti Energia Holding holds 20% of the Share Capital, equal to 89,362 shares with a nominal value of 4,646,824 euro. The company is the multiutility that manages the distribution of electricity, gas methane, drinking water and district heating in the Alto Garda and Ledro areas.

RABBIES ENERGIA S.r.l. – Rabbi (TN). Fully paid-up Share Capital of 518,199.69 euro, divided up between the Shareholders Municipality of Malè, Municipality of Rabbi and Dolomiti Energia Hydro Power, which holds 31.02% of the Capital. The company produces hydroelectric energy.

MASO ENERGIA S.r.l. – Telve (TN). Fully paid-up Share Capital of 1,350,000 euro, divided up between the Shareholders Municipality of Malè, Municipality of Scurelle, Municipality of Telve, ACSM SpA and

Dolomiti Energia Hydro Power, which holds 26.25% of the Capital. The company produces hydroelectric energy.

VERMIGLIANA S.r.l. – Ossana (TN). Fully paid-up Share Capital of 273,580 euro, divided up between the Shareholders Municipality of Ossana, Municipality of Vermiglio, Municipality of Pellizzano, Municipality of Pejo and Dolomiti Energia Hydro Power, which holds 20.00% of the Capital. The company produces hydroelectric energy.

ECO PUGLIA ENERGIA s.r.l. Riva del Garda. Fully paid-up share capital of 20,000 euro, divided between the Shareholders Kayros srl and Dolomiti Energia Wind Power srl, which owns 42.73% of the capital. The company produces wind energy.

OTHER COMPANIES

Information on the main other companies in which the Group owns equity investments is shown hereunder.

PRIMIERO ENERGIA S.p.A. – Fiera di Primiero. Fully paid-up Share Capital of 9,938,990 euro, divided into 993,899 shares with a value of 10 euro each; Dolomiti Energia Holding holds 19.94% of the Share Capital, equal to 198,177 shares with a nominal value of 1,981,770 euro. The company is engaged in the production of hydroelectric energy and manages several large hydroelectric plants in the Primiero valley.

INIZIATIVE BRESCIANE S.p.A. – Breno (BS). Fully paid-up Share Capital of 26,018,840 euro, divided into 5,203,768 shares with a value of 5 euro each; Dolomiti Energia Holding holds 16.53% of the Share Capital, equal to 859,993 shares with a nominal value of 4,299,965 euro. The company operates in the production of electricity from renewable sources, managing over forty hydroelectric plants located in the provinces of Brescia, Bergamo, Cremona, Trento, Lucca and Florence. The equity investment was prudentially written down in consideration of the estimated impairment loss. The write-down was quantified as 2,265 thousand euro so as to bring the value per share in the portfolio to 17.9 euro, also in consideration of the valuation reports of a leading bank.

SPREENTECH VENTURES Srl – Rovereto (TN). Fully paid-up Share Capital of 50,000 euro, divided into 50,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 12.05% of the Share Capital, equal to 6,024 shares with a nominal value of 6,024 euro. Established in April 2022, the company stems from a major Trento-based project of Polo Edilizia 4.0, with the task of constructing a state-of-the-art centre of excellence for the development of skills, offer of services and innovations to support businesses, managers and industries in the construction sector.

BIO ENERGIA FIEMME S.p.A. – Cavalese. Fully paid-up Share Capital of 7,058,964 euro, divided into 1,176,494 shares with a value of 6 euro each; Dolomiti Energia Holding holds 11.46% of the Share Capital, equal to 134,800 shares with a nominal value of 808,800 euro. The company operates in the district heating and circular energy fields, producing alternative energy and heat from fossil fuels, in addition to producing pellets from wood waste.

CHERRYCHAIN Srl – Pergine Valsugana. Fully paid-up Share Capital of 265,000 euro, divided into 265,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 10% of the Share Capital, equal to 26,500 shares with a nominal value of 26,500 euro. The company works in the ICT sector, mainly dealing with software development, digital identity management systems and regulatory compliance.

DISTRETTO TECNOLOGICO TRENTINO Soc. Cons. a r.l. – Rovereto. Fully paid-up Share Capital of 189,000 euro, represented by 189,000 shares with a value of 1 euro each; Dolomiti Energia Holding holds 2.76% of the Share Capital, equal to 5,221 shares with a nominal value of 5,221 euro. The company is committed to environmental sustainability.

ISA – ISTITUTO ATESINO DI SVILUPPO S.p.A. – Trento. Fully paid-up Share Capital of 79,450,676 euro, represented by 79,450,676 shares with a unit value of 1 euro each; Dolomiti Energia Holding holds 0.32% of the Share capital equal to 252,653 shares with a nominal value of 252,653 euro. ISA is a holding company that participates in various companies in the environmental, insurance, banking, real estate and industrial energy segment.

7.6 NON-CURRENT FINANCIAL ASSETS

The "Non-current financial assets" item as at 31 December 2024 and 31 December 2023 is detailed as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Securities at the Clesio Real Estate Fund	-	-
Financial receivables from associates	9,000	8,000
Financial derivatives	2,089	3,439
Other	190	51
NON-CURRENT FINANCIAL ASSETS	11,279	11,490

The "Non-current financial assets" item includes the Clesio real estate fund (net carrying amount equal to zero as at 31 December 2024 and at the end of the previous year), with an original historical cost of 15,678 thousand euro, deriving from the subscription of 322 units of the Clesio real estate fund, of which 101 units received by way of dividend in kind from Urbin S.p.A. for 5,512 thousand euro in 2008 and 221 units purchased during 2011 for 10,166 thousand euro after the liquidation of the same company. In previous years, the Group decided to fully write down the residual amount of the units, on a prudential basis due to the very poor performance of the property market and the difficulty in liquidating the Fund units.

In 2021, the Group signed a long-term financing plan with and in favour of the investee SF Energy for a maximum financing amount of 15,000 thousand euro, with interest at market rates and payable in multiple instalments by 31 December 2026. The shareholder loan must be repaid no later than 31 December 2040, with the option of early repayment. During the year, the Group disbursed tranches for a total of 1,000 thousand euro, reaching a total of 9,000 euro disbursed as at 31 December 2024.

The Group entered into derivative contracts (IRS) to hedge exposure to the fluctuations in cash flows deriving from the payment of instalments on a variable-rate loan. The fair value of derivatives as at 31 December 2024 was positive for 2,089 thousand euro (positive for 3,439 thousand euro as at 31 December 2023), and is recognised under non-current financial assets as a balancing entry for a specific equity reserve.

7.7 DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Deferred tax assets and deferred tax liabilities as at 31 December 2024 and 31 December 2023 are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
IMPOSTE ANTICIPATE	**2024**	**2023**
Fixed assets	35,857	37,337
Provision for write-downs	3,801	3,420
Production bonuses	2,088	1,382
Provisions for risks and charges	4,267	4,763
Fair value of derivatives	6,394	1,477
Non-deductible interest expense	934	932
Real estate fund write-down	3,763	3,763
Employee benefits	1,007	1,035
Other	585	385
TOTAL DEFERRED TAX ASSETS	**58,696**	**54,494**

(in thousands of Euro)	AS AT 31 DECEMBER	
IMPOSTE DIFFERITE	**2024**	**2023**
Property, plant and equipment	126,652	125,927
Intangible assets	24,619	26,493
Goodwill	10,367	9,891
Provision for write-downs	57	57
Derivatives	1,836	10,357
Other	37	37
TOTAL DEFERRED TAXES	**163,568**	**172,762**

7.8 OTHER NON-CURRENT ASSETS

The "Other non-current assets" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Prepayments and accrued income	1,138	2,014
Guarantee deposits	6,667	5,615
Other	23,943	15,835
TOTAL OTHER NON-CURRENT ASSETS	31,748	23,464

The balance includes guarantee deposits on transactions carried out on the international stock markets for 2,509 thousand euro (1,120 thousand euro at the end of the previous year), up compared to the balance at the end of 2023 following the increase in commitments assumed and transactions carried out on these markets. This item, subject to continuous and systematic adjustments in relation to the volumes traded on the markets, led to reimbursements during the year of 32,105 thousand euro and payments of 33,504 thousand euro.

The year-end balance also includes, among other things, interest-free deposits in favour of Terna Spa for a total of 3,371 thousand euro (3,612 thousand euro as at 31 December 2023), paid in compliance with Capacity Market disciplinary provisions. The item "Other" mainly includes tax credits relating to renovations and energy efficiency improvements that can be offset from the 2025 tax period onwards. The increase derives from finalisation of the transfer process by customers, by giving the conformity permit.

7.9 INVENTORIES

The "Inventories" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Raw materials and consumables	22,379	18,261
Other inventories	1,306	1,424
TOTAL	23,685	19,685

Inventories of raw materials, equal to 22,379 thousand euro, include 15,046 thousand euro as the value of property, plant and equipment used mainly in construction of electricity, water and natural gas distribution networks, and contract work in progress (18,222 thousand euro in 2023) and 7,333 thousand euro in natural gas stocks (39 thousand euro in 2023). During 2023, no steps were taken to manage the storage of natural gas, an activity resumed in 2024 which led to an increase in stocks.

The "Other inventories" item is instead related to the value of energy certificates (TEE, GO, CO2 units and VER certificates) traded on the market and not yet sold as at 31 December 2024.

7.10 TRADE RECEIVABLES

The "Trade receivables" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)

	AS AT 31 DECEMBER	
	2024	**2023**
Receivables from customers	421,893	477,602
Receivables from associates	42	27
Receivables from parent companies	25	96
Receivables from sister companies	8,201	1,882
Provision for write-downs	(18,778)	(17,592)
TOTALE	**411,383**	**462,015**

The item trade receivables, shown net of the related provision for write-downs, mainly includes receivables from customers and end users, relating to the sale price of goods and services offered by the Group. The balance is in line with the value as at 31 December 2023.

The adjustment criteria of receivables at the estimated realisable value take account of different valuations based on the status of the dispute.

The provision for write-downs recorded the following changes during the year:

(in thousands of Euro)

	Provision for write-downs
AS AT 31 DECEMBER 2023	**17,892**
Allocations	7,638
Utilisations	(6,471)
AS AT 31 DECEMBER 2024	**18,778**

The Group did not factor any receivables referred to in items as at 31 December 2024.

7.11 RECEIVABLES FOR CURRENT TAXES

The "Receivables for current taxes" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
IRES	3,256	2,666
IRAP	328	210
TOTAL	3,584	2,876

The balance shown represents the excess of tax prepayments made by the Group with respect to the current tax payable accrued during the year.

7.12 CURRENT FINANCIAL ASSETS

The "Current financial assets" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Loans to associates	19,242	34,800
Loans to others	31,705	1,529
Financial derivatives	23,198	80,443
Other receivables	18	178
CURRENT FINANCIAL ASSETS	74,162	116,949

The item "Loans to associates", which amounted to 19,242 thousand euro (34,800 thousand euro at 31 December 2023), mainly includes the following loans: a shareholder loan granted to IVI Gnl for a nominal amount of 110 thousand euro (110 thousand euro as at 31 December 2023), a shareholder loan granted to Neogy for a nominal amount of 9,000 thousand euro (5,000 thousand euro at the end of the previous year) and a shareholder loan granted by Dolomiti Energia Rinnovabili to Eco Puglia Energia for 9,837 thousand euro.

The "Loans to others" item, which amounted to Euro 31,705 thousand (Euro 1,529 thousand as at 31 December 2023), includes Euro 30,000 thousand of short-term deposit stipulated by Dolomiti Energia Holding with a leading bank and Euro 1,402 thousand as advance payment of the fair value of derivatives on commodities entered into on regulated markets and with delivery in 2025/2026.

The "Financial derivatives" item, equal to 23,198 thousand euro (80,443 thousand euro as at 31 December 2023) includes 2 million euro related to fair value as at 31 December 2024 of positive derivative contracts on commodities signed to hedge highly probable planned transactions and related to the purchase and sale of electricity and gas. The change in fair value of these derivatives to hedge cash flows, with an effective hedging relationship with the hedged item, were recorded in the special reserve in Shareholders' Equity (reserve for expected cash flow hedging transactions), less the related tax effect.

The amount of 21 million euro is related to the fair value as at 31 December 2024 of positive derivative contracts on commodities that do not fulfil the eligibility requirements to be accounted for as hedging derivatives. The change in their fair value was recorded in the Income Statement for the year.

7.13 OTHER CURRENT ASSETS

The "Other current assets" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Elect./gas tax credits	4,410	13,047
Group VAT credit	10,267	2
Other tax credits	61	220
Prepayments and accrued income	13,128	14,764
Ecobonus credits	18,061	7,355
Other receivables	335	1,581
Receivables from CSEA	19,690	5,908
Renewable source certificates	12,163	6,553
Advances/Deposits	16,294	4,345
Receivables from Social security institutions	48	65
Receivables from Public authorities for contributions	576	878
Receivables from Public authorities	224	226
TOTAL OTHER CURRENT ASSETS	**95,259**	**54,945**

The "receivables from CSEA" (Cassa per i Servizi Energetici e Ambientali) item mainly includes receivables for transport equalisation (distribution and measurement of electricity and gas) and network efficiency (16,226 thousand euro) and the 2023 continuity bonus (1,879 thousand euro).

Also included are receivables for energy efficiency certificates, relating to electricity and gas distributors, which we expect will be reimbursed by the CSEA.

The "Elect./gas tax credits" item, amounting to 4,410 euro, refers to excise duty payable on energy and gas commodities, while the Ecobonus credit of 18,061 thousand euro refers to tax credits purchased from customers through the invoice discount mechanism, in relating to renovations and energy efficiency improvements, and to credits acquired from third parties.

Contractual advances paid to suppliers, mainly GSE and GME, for upcoming electricity purchases also increased significantly compared to the previous year.

7.14 CASH AND CASH EQUIVALENTS

The "Cash and cash equivalents" item as at 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	**2023**
Bank and postal current accounts	138,992	30,283
Cash on hand		6
TOTAL	**138,992**	**30,289**

Bank current accounts include 100 million euro in time deposits, readily convertible into cash.

7.15 SHAREHOLDERS' EQUITY

Changes in shareholders' equity reserves were shown in the tables of these consolidated financial statements.

As at 31 December 2024, the Group's share capital amounted to 411,496,169 euro, and comprised 411,496,169 ordinary shares with a nominal value of 1.00 euro each.

As at 31 December 2024, the Dolomiti Energia Group held 26,369,875 treasury shares.

In previous financial years, a number of Group companies released Assets under concession and Goodwill, applying the option envisaged in Italian Law Decree 104/2020, and the related equity reserves include 117,870 million euro which, if distributed, will qualify as taxable income pursuant to Article 13, paragraph 3 of Italian Law 323/2000.

7.16 PROVISIONS FOR CURRENT AND NON-CURRENT RISKS AND CHARGES

The "Provisions for current risks and charges" item amounted to 8,852 thousand euro as at 31 December 2024 and is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	**2023**
Provision for risks and charges	1,384	2,867
Provision for performance bonus	7,468	5,637
TOTAL PROVISION FOR CURRENT RISKS AND CHARGES	**8,852**	**8,504**

The Provision for risks and charges includes estimated costs accruing in the current year but with financial effects in 2024.

The Provision for risks and charges includes donations to finance solidarity projects: the provision accrues annually on the basis of contractually agreed parameters and the disbursement, to non-profit organisations, takes place against the actual implementation and reporting of solidarity initiatives. The provision amounted to 1,384 thousand euro as at 31 December 2024.

The provision for performance bonus estimates the liability for employee performance bonuses, to be paid in 2025 on the basis of the final results relating to 2024. At the end of the previous year, a provision of 5,061 thousand euro had been estimated, used for 4,999 thousand euro during the year, recognised as contingent liabilities for 187 thousand euro, and increased through the allocation of 7,593 thousand euro.

The "Provisions for non-current risks and charges" item amounted to 24,998 thousand euro as at 31 December 2024 and is broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	**2023**
Provision for risks and charges	22,636	21,939
Provision for coverage of waste disposal charges	1,061	1,148
Pension fund	1,301	1,045
TOTAL PROVISIONS FOR NON-CURRENT RISKS AND CHARGES	**24,998**	**24,132**

PROVISIONS FOR RISKS AND CHARGES

The **provision for risks – plants**, of 6,998 thousand euro includes provisions made in previous years to cover the risk of charges resulting from the management of plants and adjoining areas (mainly costs for the restoration of reservoirs managed by Hydro Dolomiti Energia S.r.l.); 2,225 thousand euro was used during the year and the provision was increased by 2,532 thousand euro.

The **provision for charges – tax assessments** of 2,814 thousand euro refers to the amount allocated for Tax Authority disputes for 2019/2020, regarding the IRAP rate applied for 2014 and 2015.

The **provision for disputes and litigation** (70 thousand euro), intended to mainly cover potential liabilities that could derive from pending legal disputes or other litigation.

IMU (property tax) provision of 7,281 thousand euro was established, in previous years, following subsequent reviews of how to calculate the property registry income of the property units used for special purposes, first by the Land Registry Service of the PAT and afterwards by the Territorial Agency (Circular 6/2012). Due to said changes, the Group received notices of assessment from the Land Registry Office concerning the calculation of the land registry income to attribute to the plants, and notices of assessment by the Municipalities concerning the higher tax (ICI/IMU) and relative sanctions and interest, determined on the income from said adjusted plants. The provision includes the estimate of the potential liabilities resulting from the above. During 2024, the IMU (property tax) provision changed due to allocations of 337 thousand euro and uses of 1,553 thousand euro.

Provision for facilitated energy – irrigation consortia, equal to 4,266 thousand euro – on 27 March 2012 a formal claim for damages was formulated to HDE, AEEG and CCSSE, and with letter of 23 September 2015, the formal claim for payment was formulated in favour of Consorzio di Bonifica Veronese of the facilitated tariff with reference to an annual quantity of 3 million kWh, for the period in which this amount had no longer been reimbursed by Cassa Conguaglio (Electricity compensation fund), i.e. from 2010 onwards, in addition to interests on arrears and ancillary costs until final settlement. The aforesaid deviation from the original convention agreed upon the assignment of the concession itself, which is now held by HDE (formerly Sima), envisaged an obligation to supply electricity free of charge in exchange of the equivalent further concession granted to the Consorzio di Bonifica Veronese (CUMA). This obligation was fulfilled directly by Enel until 2004 and was then transferred to Cassa Conguaglio per il Sistema Elettrico as general system charge, pursuant to resolution 148/04 of the Italian Regulatory Authority for Electricity Gas and Water (AEEG). With letter of 11 December 2015, HDE informed Consorzio di Bonifica Veronese that another legal case was in place (RG 258/2013) having as object matter the cancellation of the further renewal of the concession of the Consortium with Italian GC Decree No. 205/2013 of Verona and, therefore, the facilitated electricity supply would have been effective again only upon settlement of the dispute. The facilitated tariff for electricity supply was valued at the annual average value of electricity, published by AEEG, that defined an estimated cost from 2010 to 2024 of 4,266 thousand euro.

PROVISION FOR COVERAGE OF WASTE DISPOSAL CHARGES

Provision for coverage of waste disposal charges, equal to 1,061 thousand euro, was allocated in previous years to cover future expenses to be borne for the post-closure management of the landfill in Ischia Podetti, Municipality of Trento, which was then managed by the provider. Pursuant to Art. 102 quinquies of the Decree of the President of the Provincial Council No. 1-41/Legisl. of 26 January 1987 (Consolidated provincial act on the safeguard of environment from pollution), as from 1 January 2014 the Trento Autonomous Province is entrusted with the management of landfills for urban waste, as well as their post-closure management. The Province has replaced the municipalities and the Municipality of Trento in all asset and liability transactions underway. Allocations made until this date by operators were left at the disposal of the same, to cover future charges related to the waste disposal service. During 2024, the provision changed due to uses of 87 thousand euro.

PENSION FUND

It refers to **provision for agents' leaving indemnitie**s, equal to 1,301 thousand euro, which was created in relation to the agency relation in place with its agents.

Other provisions for 1,207 thousand euro.

The changes in provisions for non-current risks and charges for the years ended 31 December 2024 and 2023, are shown hereunder:

(in thousands of Euro)

	Provision for risks and charges	Provision for coverage of waste disposal charges	Pension fund
AS AT 31 DECEMBER 2022	**22,006**	**1,148**	**951**
Allocations	2,585	-	186
Utilisations	(1,323)	-	(92)
Releases	(1,329)	-	-
AS AT 31 DECEMBER 2023	**21,939**	**1,148**	**1,045**
Allocations	4,475	-	100
Utilisations	(3,778)	(87)	193
Releases	-	-	(37)
AS AT 31 DECEMBER 2024	**22,636**	**1,061**	**1,301**

Below is an update of the situation concerning the main outstanding disputes, against which no provisions for risks have been recognised, as they refer to cases lodged by the group or disputes for which the risk of an unfavourable outcome is deemed unlikely.

NOVARETI S.P.A./ARERA – LOMBARDY REGIONAL ADMINISTRATIVE COURT GEN. REG. NO. 2468/2017 - (Resolution No. 384/2017 and decision No. 139/2017) – Following the discharge hearing of 28 May 2024, with ruling No. 1637/2024, the Milan Regional Administrative Court accepted Novareti's appeal.

NOVARETI S.P.A./ARERA – LOMBARDY REGIONAL ADMINISTRATIVE COURT GEN. REG. NO. 514/2020 - On 24 February 2020, a notice of appeal was filed before the Lombardy Regional Administrative Court to overrule, not fully, but limited to certain profiles, the decision of 27 December 2019 570/2019/R/gas adopted by ARERA. As part of the same judgment, with an initial appeal on additional grounds, the Novareti Company requested the annulment of the two ARERA resolutions, No. 106/2020/r/gas and 107/2020/r/gas in which the reference tariffs for gas distribution and measurement services for the years 2018 and 2019 are determined. With a second appeal for additional reasons, Novareti challenged ARERA resolution No. 117/2021/R/gas with which ARERA approved the final reference tariffs for gas distribution and metering services for 2020. With a third appeal for additional reasons, Novareti also challenged ARERA resolution No. 350/2021/R/gas which, among other things, approved the final reference tariff for 2020 also for the town of Lavis managed by Novareti. With a fourth appeal for additional reasons, Novareti challenged ARERA resolution No. 154/2022/R/gas containing "Determination of the final reference tariffs for gas distribution and metering services for 2021. Amendments to the

RTDG" and Art. 33.3 of the RTDG as amended by Art. 1.2 of ARERA resolution 154/2022/R/gas. With the fifth appeal for additional reasons, Novareti also challenged resolution 525/2022/R/gas with which ARERA, to complete the regulations pursuant to Art. 33.3. of the RTDG, has adopted provisions aimed at defining the application methods of the ceiling on the tariff recognition of investments in locations undergoing goodwill. With the sixth appeal for additional reasons, Novareti also challenged the ARERA resolution containing "Redetermination of reference tariffs for gas distribution and metering services for the years from 2009 to 2021", ARERA resolution 737/2022/R/gas "Interim update of the tariff regulation of gas distribution and metering services for the three-year period 2023-2025. Approval of the RTDG for the three-year period 2023-2025 and amendments to the standard network code for the gas distribution service" and as preliminary acts, ARERA resolution 406/2022/R/gas containing "Initiation of the procedure for the interim update of the RTDG" and DCO 571/2022/R/gas containing "Criteria for the interim update for the years 2023-2025 of the tariff regulation of gas distribution and metering services (RTDG)". At the discussion hearing of 5 April 2023, the case in question was then adjourned to a new hearing on 6 December 2023 with simultaneous court order to ARERA to file the resolution with which it allegedly corrected the calculation errors emerging from the COR and X-FACTOR audit. At the public hearing of 6 December 2023, the case was further adjourned to the hearing of 3 April 2024. Lastly, during the public hearing of 3 April 2024, proceedings were adjourned for decision. With ruling No. 1029/2024, the Milan Regional Administrative Court deemed the appeal filed by Novareti, supplemented by additional reasons, to be inadmissible.

NOVARETI S.P.A./MUNICIPALITY OF LAVIS – TRENTINO RISCOSSIONI - COURT OF APPEAL OF TRENTO - GEN. REG. NO. 94/2023 – The Company challenged decision No. 240/2023 with which the Court of Trento rejected Novareti's claims regarding the application of COSAP for the gas distribution networks located in the Municipality. With ruling No. 61 of 10 May 2024, the Court of Appeal of Trento rejected the appeal filed by Novareti.

NOVARETI S.P.A./GSE – COUNCIL OF STATE GEN. REG. NO. 3860/2023 – In 2007, Novareti built a cogeneration unit at the TrentoFrutta facility in Trento, and managed it up to 31 December 2017. The Company obtained access to the "white certificate" support system from the GSE for each year from 2008 to 2013 and the assumption that the CAR plant would be recognised for each year from 2011 (the year in which the recognition was established) to 2013. Following a control process on the plant in question, the GSE cancelled the access to the support system for the years 2008 and 2013 and the CAR recognition for the year 2013 and ordered the recovery of the previously issued white certificates. An appeal was filed against the order made by the GSE before the Lazio Regional Administrative Court since it was considered to be unlawful. Novareti's appeal was rejected with decision No. 1797/2023, with the order to pay costs. Novareti decided to challenge the Lazio Regional Administrative Court decision by filing an appeal before the Council of State. The date of the discussion hearing, at present, has been set as 10 June 2025.

NOVARETI S.P.A./AUTONOMOUS PROVINCE OF TRENTO – TRENTO REGIONAL ADMINISTRATIVE COURT GEN. REG. NO. 16/2024 – On 29 December 2023, the Autonomous Province of Trento launched the public tender procedure concerning "assignment of the public natural gas distribution and metering service using pipes in areas of the Municipalities of the Single Provincial Area of Trento". From examination of the documentation, it emerged that the tender documents would not have allowed competitors to submit a serious and informed offer with respect to works relating to construction of the distribution network in the 32 municipalities where the possibility of introducing the service is subject to construction of the regional transport network, the timing of which has not been specified. The tender documentation was therefore challenged by Novareti S.p.A. before the Trento Regional Administrative Court. With ruling No. 103/2024, the Trento Regional Administrative Court declared Novareti's appeal partly unfounded and for the remainder inadmissible.

DOLOMITI ENERGIA S.P.A. – With regard to the dispute brought by certain customers, related to the request for reimbursement of provincial excise duties paid in the 2010-2011 period, abrogated by the Government in 2012 because not compliant with Directive 2008/118/EC, given that the Company has taken legal action against the claims; in the event of a negative outcome, the Company will request reimbursement from the Customs and Monopolies Agency of any amounts to be returned to customers, as these are indirect taxes charged to and paid in full by them, as taxpayer, to the Tax Authority, it was decided not to allocate any provision.

DOLOMITI ENERGIA TRADING S.P.A. – A number of former customers of the Company, from when it was an end consumer business market operator, brought a formal dispute related to the request for reimbursement of additional provincial excise duties paid in the 2010-2011 period, abrogated by the Government in 2012 as non-compliant with Directive 2008/118/EC. DET took legal action against these claims and, in the event of a negative outcome, will request reimbursement from the Customs and Monopolies Agency of any amounts to be returned to the former customers, as these are indirect taxes charged to and paid in full by them, as the taxpayer, to the Tax Authority. For these reasons, it was decided not to allocate a provision during the year.

7.17 EMPLOYEE BENEFITS

The "Employee benefits" item as at 31 December 2024 included 7,946 thousand euro related to the Provision for employee termination benefits and 3,986 thousand euro related to other employee benefits.

Other benefits include additional monthly wages for achieved age limits or for accrued right to pension, loyalty bonuses and golden medals for the achievement of determined age requirement in the company, discounts on the supply price of household electricity, limited to some former employees during pension.

Changes in the Provision for employee termination benefits and other employee benefits as at 31 December 2024 and 31 December 2023, are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER 2024					
	Employee termination benefits	Loyalty bonuses	Additional monthly wages	Energy discounts	Medals	Total
LIABILITIES AT BEGINNING OF THE YEAR	**8,820**	**2,084**	**1,235**	**-**	**627**	**12,766**
Current cost of service	291	182	60	-	69	602
Interest to be discounted	-	-	-	-	-	-
Benefits paid	(1,213)	(145)	(172)	-	(55)	(1,585)
Actuarial loss/(profit)	(97)	(59)	(4)	-	5	(155)
Losses (profits) at the time of repayment	-	-	-	-	(2)	(2)
Other changes	(1)	180	(22)	-	3	160
Change in consolidation area	146	-	-	-	-	146
LIABILITIES AT END OF THE YEAR	**7,946**	**2,242**	**1,097**	**-**	**647**	**11,932**

(in thousands of Euro)	AS AT 31 DECEMBER 2023					
	Employee termination benefits	Loyalty bonuses	Additional monthly wages	Energy discounts	Medals	Total
LIABILITIES AT BEGINNING OF THE YEAR	**9,263**	**1,693**	**1,122**	**616**	**571**	**13,265**
Current cost of service	213	144	47	-	54	458
Interest to be discounted	203	40	22	-	13	278
Benefits paid	(837)	(121)	(96)	(113)	(60)	(1,227)
Actuarial loss/(profit)	111	72	166	(582)	63	(170)
Losses (profits) at the time of repayment	23	5	-	-	-	28
Other changes	(156)	251	(26)	79	(14)	135
Change in consolidation area	-	-	-	-	-	-
LIABILITIES AT END OF THE YEAR	**8,820**	**2,084**	**1,235**	**-**	**627**	**12,766**

The economic and demographic assumptions used for actuarial evaluations are shown hereunder:

	As at 31 December 2024
Technical annual discount rate	3.38% - 3.18%
Annual inflation rate	2.00%
Annual rate of total compensation increase	3.00%
Rate of increase in employee termination benefits	3.00%

A sensitivity analysis as at 31 December 2024, related to the main actuarial assumptions included in the calculation model, is illustrated below, considering the base line scenario described above and increasing and decreasing the annual average discount rate, the average inflation rate and the turnover rate. The results obtained can be summarised as shown in the following table:

Sensitivity

(in thousands of Euro)

	AS AT 31 DECEMBER 2024					
	Discount rate +0,50%	Discount rate -0,50%	Inflation rate +0,25%	Inflation rate -0,25%	Turnover rate +2%	Turnover rate -2%
Employee termination benefits	7.670	8.238	8.026	7.868	7.981	7.938

(in thousands of Euro)

	AS AT 31 DECEMBER 2023					
	Discount rate +0,50%	Discount rate -0,50%	Inflation rate +0,25%	Inflation rate -0,25%	Turnover rate +2%	Turnover rate -2%
Employee termination benefits	8.506	9.153	8.911	8.728	8.854	8.811

7.18 FINANCIAL LIABILITIES (CURRENT AND NON-CURRENT)

The table hereunder shows current and non-current financial liabilities as at 31 December 2024 and 2023:

(in thousands of Euro)

	AS AT 31 DECEMBER			
	2024		2023	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Payables due to banks	303,395	152,083	88,483	164,583
Bond loans	2,102	114,979	2,106	114,960
Payables for derivative liabilities	41,167	384	47,309	2,878
Payables due to other lenders	1,636	5,453	1,860	4,115
TOTAL	**348,301**	**272,899**	**139,758**	**286,536**

As at 31 December 2024, payables due to banks include two loans with the following characteristics:

- the loan disbursed in 2016 by the European Investment Bank (EIB) for a nominal amount of 100,000 thousand euro, maturing in 2032 and with a residual value as at 31 December 2024 of 64,583 thousand euro (72,917 thousand euro at the end of the previous year). The contract envisages the payment of quarterly deferred floating rate instalments; to hedge interest rate risk, the Group has entered into IRS derivative contracts for an original notional value of 100,000 thousand euro, the fair value of which as at 31 December 2024 was positive for 2,089 thousand euro.
- the loan disbursed in 2021 by the European Investment Bank (EIB) for a nominal amount of 100,000 thousand euro, maturing in 2037 and with a residual value as at 31 December 2024 of 100,000 thousand euro (unchanged compared to the end of the previous year). The contract envisages the payment of quarterly deferred fixed-rate instalments, the first of which due on 30 June 2025 and the last on 31 March 2037;

The EIB loans indicated above envisage, as usual for financial transactions of this kind, a series of commitments borne by the Group ("Covenants") and a series of limitations on the possibility of carrying out certain transactions, if not in compliance with certain financial parameters or specific exceptions provided for in the respective contracts. Specifically, in fact, there are certain limitations on the assumption of financial debt, the carrying out of certain investments and disposals of assets and corporate activities. The last audit carried out by the Group confirmed that all the covenants were satisfied.

Payables due to banks also include payables for the disbursement of "hot money" and/or short-term loans for 290,000 thousand euro.

BOND LOANS

On 1 February 2017, the Regulation for the Bond Loan, named "Dolomiti Energia – Subordinato – tasso fisso 2010 – 2017" was amended in relation of the change in name (Dolomiti Energia Holding Spa – Subordinato – tasso fisso 2010 – 2018), the extension of the expiry date of the Regulation from February 2017 to 31 December 2018, the change in the amount, reduced to 7,540 thousand euro. On 30 June 2017, the regulation of the loan was modified again and included the change in the name (Dolomiti Energia Holding Spa– Subordinato – tasso variabile 2010 – 2022), the extension of the expiry date to 10 August 2022, the change in the amount, reduced as from 10 August 2018 to 5,052 thousand euro. Lastly, on 27 July 2021 the amendment to the loan regulation was decided, envisaging the name change (Dolomiti Energia Holding Spa– Subordinato – tasso variabile 2010 – 2029) and determination of the new maturity date as 1 August 2029. This Bond Loan was listed on the regulated market of the Irish Stock Exchange (ISE).

On 14 February 2018, the subsidiary SET listed a bond loan named "SET Distribuzione Tasso fisso 4.6 2006/2029" on the Irish regulated market (Irish Stock Exchange) for 110,000 thousand euro. The loan is backed by irrevocable first demand guarantee issued by the Trento Autonomous Province. The bond has a duration of 23 years as from 1 August 2006 and therefore until 1 August 2029, and shall be repaid at par in a single solution on the maturity date.

As at 31 December 2024 and 31 December 2023, the Group had the following bonds, measured at amortised cost:

(in thousands of Euro)

				AS AT 31 DECEMBER 2024				
					Accounting balance			
	COMPANY	TAKING OUT	MATURITY	OPENING BALANCE (ORIGINAL CURRENCY)	TOTAL	WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BEYOND 5 YEARS
Dolomiti Energia Holding SpA – Subordinato – tasso variabile 2010 /2029	Dolomiti Energia Holding SpA	10-Feb-10	01-Aug-29	€ 5,052	5,052	-	5,052	-
SET distribuzione Tasso fisso 4,6 2006/2029	Set Distribuzione SpA	01-Aug-06	01-Aug-29	€ 110,000	112,030	2,102	109,927	
TOTAL					**117,082**	**2,102**	**114,979**	**-**

(in thousands of Euro)

				AS AT 31 DECEMBER 2023				
					Accounting balance			
	COMPANY	TAKING OUT	MATURITY	OPENING BALANCE (ORIGINAL CURRENCY)	TOTAL	WITHIN 1 YEAR	BETWEEN 1 AND 5 YEARS	BEYOND 5 YEARS
Dolomiti Energia Holding SpA – Subordinato – tasso variabile 2010 /2029	Dolomiti Energia Holding SpA	10-Feb-10	01-Aug-29	€ 5,052	5,052	-	-	5,052
SET distribuzione Tasso fisso 4,6 2006/2029	Set Distribuzione SpA	01-Aug-06	01-Aug-29	€ 110,000	112,015	2,106	-	109,909
TOTAL					**117,067**	**2,106**	**-**	**114,961**

The derivative liabilities item includes derivatives on commodities, equal to 42 million euro (50 million euro as at 31 December 2023), of which 20 million euro representing the fair value as at 31 December 2024 of negative derivative contracts on commodities, signed to hedge highly probable and planned transactions in relation to the purchase and sale of electricity and gas. These derivatives, with effective hedging relation with the hedged item, were recorded in the special reserve in Shareholders' Equity (reserve for expected cash flows of hedging transactions), less the related tax effect. The amount of 22 million euro is related to the fair value, as at 31 December 2024, of negative derivative contracts on commodities that do not fulfil the eligibility requirements to be accounted for as hedging derivatives. Their fair value was recorded in the Income Statement for the year.

The Group entered into derivative contracts (IRS) to hedge exposure to the fluctuations in cash flows deriving from the payment of instalments on a variable-rate loan. The fair value of derivatives as at 31 December 2024 was positive for 2,089 thousand euro (positive for 3,439 thousand euro as at 31 December 2023 – note 7.6).

The following table shows the breakdown and changes during the year in liabilities for rental and lease agreements, determined in accordance with EU IFRS 16.

(in thousands of Euro)

	as at 31.12.2023	New leases	Repayments	as at 31.12.2024	of which current portion
Financial payables for buildings	3,694	267	(1,321)	2,640	902
Financial payables for other moveable assets	3,115	2392	(1,672)	3,835	1,052
PAYABLES DUE TO OTHER LENDERS FOR LEASES AND RENTS	**6,809**	**2,659**	**-2,993**	**6,475**	**1,954**

Below is a breakdown of the Group's net financial indebtedness as at 31 December 2024 and 2023, determined in accordance with the document published by ESMA on 4 March 2021 "Guidelines on disclosure obligations" pursuant to Regulation (EU) 2017/1129 (the Prospectus Regulation), the adoption of which was also recommended by CONSOB through "Warning Notice No. 5/21" of 29 April 2021.

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
A. Cash	138,992	30,289
B. Cash equivalents	-	-
C. Other current financial assets	50,965	36,507
Cash and cash equivalents (A+B+C)	**189,957**	**66,796**
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(298,801)	(84,116)
F. Current portion of non-current financial debt	(12,500)	(8,333)
G. Current financial indebtedness (E+F)	**(311,301)**	**(92,449)**
H. Current net financial indebtedness (D+G)	**(121,344)**	**(25,653)**
I. Non-current financial debt (excluding the current portion and debt instruments)	(157,537)	(168,698)
J. Debt instruments	(114,979)	(114,960)
K. Trade payables and other non-current payables		
L. Non-current financial indebtedness (I+J+K)	**(272,516)**	**(283,659)**
M. Total financial indebtedness (H+L)	**(393,860)**	**(309,312)**

In line with practices adopted by other sector operators, the net financial indebtedness recorded in the above table does not include the fair value of derivatives.

7.19 OTHER LIABILITIES (CURRENT AND NON-CURRENT)

The "Other non-current liabilities" and "Other current liabilities" items as at 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Accrued liabilities and deferred income	109,607	109,221
Guarantee deposits	14,073	8,607
TOTAL OTHER NON-CURRENT LIABILITIES	123,680	117,828

The accrued liabilities and deferred income are mainly due to grants for grid connections (93,000 thousand euro) and grants for plants (13,038 euro).

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
Social security and welfare payables	5,591	5,594
Accrued liabilities and deferred income	1,837	214
Tax on electricity/gas	57	-
Other taxes	13	72
IRPEF and VAT	2,650	3,706
Other payables	51,858	47,596
RAI television fee	1,412	1,330
Payables to employees	4,195	3,524
Payables to PAT	365	391
Sewerage charge	5,948	3,300
TOTAL OTHER CURRENT LIABILITIES	73,928	65,727

The Group quantified the payable for charges accrued and not invoiced by the GSE as at 31 December 2024 at 45,745 thousand euro, in application of Art. 15-bis of Italian Decree Law 4/2022, which introduced to Italian law a two-way compensation mechanism on the price of electricity produced, among others, by plants with a capacity of more than 20 kW powered from hydroelectric sources.

The performance of other items included in other current liabilities follows the ordinary management dynamics of the various businesses.

7.20 TRADE PAYABLES

The item "Trade payables" includes amounts due for the supply of goods and services, and amounted to 300,916 thousand euro as at 31 December 2024 in line with that of the previous year (275,338 thousand euro as at 31 December 2023).

7.21 LIABILITIES FOR CURRENT TAXES

The "Liabilities for current taxes" item, equal to 78,177 thousand euro as at 31 December 2024, refers to the debt position with Tax Authorities for current IRES and IRAP (45,915 thousand euro as at 31 December 2023).

(in thousands of Euro)	AS AT 31 DECEMBER	
	2024	2023
IRES	69,704	41,130
IRAP	8,473	4,785
TOTAL	**78,177**	**45,915**

8. NOTES TO THE INCOME STATEMENT

8.1 REVENUE

The "Revenue" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Electricity revenue	1,660,284	1,593,773
Water resource revenue	21,527	22,676
Natural gas revenue	394,863	457,869
Heating revenue	7,972	8,809
Revenue from municipal waste services	38,898	32,458
Other revenue	94,256	78,490
Revenue from water treatment	609	1,083
TOTAL	**2,218,409**	**2,195,159**

During the year, revenue by individual business area was in line with that of the previous year.

Please refer to the Report on Operations for an in-depth analysis of the dynamics of commodity prices and a more complete understanding of the results achieved during the year by business line.

8.2 REVENUE AND COSTS FROM WORKS ON ASSETS UNDER CONCESSION

The "Revenue and costs from works on assets under concession" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER			
	2024		2023	
	REVENUE	COSTS	REVENUE	COSTS
Electric grid	56,685	(55,306)	53,128	(51,850)
Gas network	15,838	(15,452)	16,470	(16,068)
Water network	5,896	(5,896)	8,533	(8,533)
TOTAL	**78,419**	**(76,654)**	**78,131**	**(76,451)**

This is the fair value of building services determined based on costs actually borne, added by a mark-up representing the best estimate on the remuneration of in-house costs for construction management and design activities carried out by the Group, equal to the mark-up that a general third-party constructor would ask to perform the same activity, as envisaged by IFRIC 12.

8.3 OTHER REVENUE AND INCOME

The "Other revenue and income" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	**2023**
Core contingent assets	23,654	45,371
Energy efficiency	6,086	5,960
Operating grants	955	1,652
Services to third parties	1,326	1,118
Gains from standard operations		1,607
Grants - plants	3,517	970
Revenue from plant management	883	669
Real estate income	456	430
Other revenue	11,144	10,225
TOTAL	**48,021**	**68,002**

The "other revenue and income" item mainly includes the income from energy efficiency certificates, applicable grants and core non-recurring income, mainly from the adjustment of estimates from previous financial years, as well as adjustments of 2023 positive components attributable to the electricity and gas commodities.

The "energy efficiency" item, for 6,086 thousand euro, represents the value of the tariff contribution for energy efficiency projects or the market purchase of securities necessary to fulfil the mandatory primary energy saving scheme to which energy distributors are subject.

Contingent assets realised in 2024 mainly include adjustments to end users for the electricity and gas commodities and referring to positive components of previous years (3,882 thousand euro), which are offset by contingent liabilities included in the item Costs for raw materials, consumables and merchandise, as well as in other operating costs and adjustments to 2023 estimated revenue compared to actual turnover for 6,980 thousand euro.

In general, contingent assets decreased, mainly due to the reduction in raw material costs compared to the previous year.

Note that contingent assets for 2023 included 8,944 thousand euro relating to windfalls that, in the 2022 financial statements, had been allocated for an amount higher than that determined at balancing stage.

Also note the continuity bonus received from CSEA in relation to electricity distribution for 1,879 thousand euro and energy efficiency certificate adjustments for 3,238 thousand euro.

8.4 RAW MATERIALS, CONSUMABLES AND MERCHANDISE

The "Raw materials, consumables and merchandise" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	**2023**
Purchases of elect. raw materials	577,612	753,884
Purchases of gas raw materials	218,197	312,457
Purchases of inventories	6,351	14,932
Purchase of fuels and vehicle spare parts	2,080	1,575
Purchases of laboratory and chemicals	514	484
Changes in inventories of raw materials, consumables and merchandise	-6,219	47,015
Energy certificates	27,061	16,833
Other purchases	5,396	5,316
Contingencies	4,817	5,995
TOTAL	**835,809**	**1,158,492**

The reduction in the prices of commodities such as gas and electricity led to a decrease in their overall cost. For a more in-depth analysis of market price trends, please refer to the review provided in the Report on Operations.

The Contingent assets on purchases of raw materials item includes the adjustments relating to the purchase of electricity and gas commodities for approximately 4,627 thousand euro, which are offset by the contingent assets included in the Other revenue and income item.

8.5 SERVICE COSTS

The "Service costs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
External maintenance services	53,103	51,891
Insurance, banking and financial services	13,611	9,270
Other services	27,197	24,508
Commercial services	417,026	351,785
General services	4,781	4,141
Financial statement certification	447	371
Board of Statutory Auditors	365	319
Directors	1,104	876
Miscellaneous costs	890	235
Rental expense	507	403
Rental fees	1,729	1,355
Easements	13	5
Service agreement charges	972	979
Business unit rental	96	97
Water diversion charges	103,220	97,615
Contingencies	5,294	1,725
TOTAL	**630,355**	**545,575**

The increase in service costs is mainly attributable to the item "Commercial services", which primarily includes electricity and gas transportation costs. They increased significantly compared to the previous year as a result of the reintroduction of system charges and the rates increase.

8.6 PERSONNEL COSTS

The "Personnel costs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Wages and salaries	58,726	51,275
Social security costs	21,602	19,333
Employee termination benefits	4,688	4,217
Other costs	3,444	3,511
TOTAL	**88,460**	**78,335**

As at 31 December 2024, the Group had 1,634 employees (1,544 in 2023). The increase compared to the previous year is due to the organic growth of the Group.

8.7 AMORTISATION, DEPRECIATION, ALLOCATIONS, WRITE-DOWNS AND NET WRITE-BACKS (WRITE-DOWNS) OF RECEIVABLES

The "Amortisation, depreciation, allocations and write-downs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Amortisation of intangible assets	16,571	15,632
Depreciation of property, plant and equipment	13,218	14,599
Amortisation of assets under concession	29,342	27,642
Amortisation of rights of use	2,229	2,171
Provisions for risks	439	1,707
Write-downs	2,906	1,950
TOTAL	**64,705**	**63,701**

Depreciation and amortisation in 2024 was in line with the previous year.

The item provisions for risks for the year amounts to 439 thousand euro.

The item write-downs mainly includes the write-downs of expenditure capitalised in previous years in relation to: the project to prepare for the tender to award concessions for hydroelectric use of water (2,017 thousand euro); the public-private partnership project regarding the tender for electrical service management of tunnels in the Autonomous Province of Trento (458 thousand euro).

The "Net write-backs (write-downs) of receivables" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	**2023**
Write-down of receivables recognised to current assets	7,429	2,834
Credit losses	470	766
TOTAL	**7,899**	**3,600**

During the year, an adequate amount was allocated to the provision for write-downs, an amount deriving from a careful estimate of risks to the Group's trade receivables.

8.8 OTHER OPERATING COSTS

The "Other operating costs" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	**2023**
Energy efficiency charges	4,904	4,968
Core contingent liabilities	9,884	13,586
ICI (local property tax)	6,036	5,841
Miscellaneous costs	3,933	4,136
Municipal charges and agreements	1,873	1,886
Cts/social security fee	1,613	941
Other taxes	1,023	1,024
TOSAP/COSAP	16	9
Losses from standard operations	1,169	2,405
Other costs	18,198	61,943
TOTAL	**48,649**	**96,742**

The "Energy efficiency charges" item, equal to 4,904 thousand euro, represents the value for the purchase of energy efficiency certificates necessary to fulfil the obligation of primary energy savings for electricity and gas distributors.

The decrease in core contingent liabilities compared to 2023, totalling 3,702 euro, is due to gas commodity and energy commodity adjustments and adjustments to estimates compared to those recorded in the financial statements.

The sharp decrease in the item "Other costs" derives from the presence in 2023 of the windfall contribution pursuant to Art. 15-bis of Italian Decree Law 4/2022, equal to 45,450 euro, no longer present in 2024.

8.9 RESULT OF EQUITY INVESTMENTS MEASURED AT EQUITY AND OTHER COMPANIES

The "Result of equity investments measured at equity and other companies" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	**2023**
Dividends and other income from other companies	2,980	3,863
Revaluations of equity investments	14,303	8,944
Write-downs of equity investments and securities	(3,735)	(5,905)
TOTAL	**13,548**	**6,902**

Dividends from other companies relate to the dividends of Primiero Energia, Iniziative Bresciane, BioEnergia Fiemme, ISA, Tecnodata, AGS Riva del Garda and BioEnergia Trentino.

The revaluations and write-downs of equity investments and securities items include primarily the valuation for the year of equity investments measured at equity and the economic effect of acquisition of a controlling interest in EPQ srl (acquisition method).

In particular, revaluations of equity investments mainly include 12,949 thousand euro arising from application of the acquisition method for the recognition of business combinations in relation to the acquisition of control of EPQ. According to this method, the equity investment previously owned in the company is revalued at fair value at the acquisition date of the control and any consequent gains or losses is recognised in the income statement.

8.10 FINANCIAL INCOME AND CHARGES

The "Financial income" and "Financial charges" items for the years ended 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
Financial income	2024	2023
Financial income from associates	554	282
Financial income from parent companies		-
Financial income from other companies	11,416	7,656
Financial derivatives	1,651	4,870
Other		
TOTAL	13,621	12,808

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
Financial charges	2024	2023
Financial charges due to associates		
Financial charges due to parent companies		
Financial charges due to other companies	(15,159)	(22,799)
Right of use interest expense	(85)	(142)
Financial charges from discounting	(231)	(560)
Financial derivatives		(188)
Other	(272)	(8)
TOTAL	(15,747)	(23,697)

Income and charges for financial derivatives were recognised by offsetting the positive items (149,850 thousand euro for 2024; 281,035 thousand euro for 2023) and negative items (148,199 thousand euro for 2024; 276,165 thousand euro for 2023) to show the asset/liability contribution margin. The "Financial derivatives" item therefore includes the change in fair value, as at 31 December 2024, of derivative contracts on commodities that do not fulfil the requirements to be accounted for as hedging derivatives, in addition to differentials accrued and adjusted over the year for derivatives on commodities that are not eligible to be accounted for as hedging derivatives.

8.11 TAXES

The "Taxes" item for the years ended 31 December 2024 and 2023 is broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Current taxes	166,929	86,042
Deferred tax liabilities	(672)	(1,037)
Deferred tax assets	(2,255)	2,964
Tax consolidation income/charges	(1,485)	(4,517)
Taxes from prior years	(46)	(1,075)
Contingent assets/liabilities	-	39
TOTAL	162,471	82,416

The reconciliation between tax charge as per financial statements and theoretical tax charge is shown hereunder for the years ended 31 December 2024 and 2023:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER			
	2024	%	2023	%
PROFIT BEFORE TAX	603,740		314,409	
Theoretical income taxes	144,898	24,0%	75,458	24,0%
IRES	147,580	24,4%	75,317	24,0%
IRAP	19,349	3,2%	10,725	3,4%
Tax effect of permanent and other differences	(4,458)	-0,7%	(3,626)	-1,2%
TOTAL	162,471	26,9%	82,416	26,2%

The percentage of taxes is in line with that of the previous year.

9. RELATED PARTY TRANSACTIONS

Related parties are defined as the parties that share with the Group the same controlling entity, the companies that directly or indirectly control it, are controlled or are subjected to joint control by the Parent Company, as well as companies in which the Parent Company holds an equity investment able to exercise a significant influence.

For the years ended 31 December 2024 and 2023, the main transactions with related parties concerned the following:

(in thousands of Euro) AS AT 31 DECEMBER

	2024					2023				
	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	DIVIDENDS RECEIVABLES	TRADE PAYABLES	FINANCIAL PAYABLES	TRADE RECEIVABLES	FINANCIAL RECEIVABLES	DIVIDENDS RECEIVABLES	TRADE PAYABLES	FINANCIAL PAYABLES
Neogy	19	9,116	-	-	-	55	5,000	-	-	-
SF Energy	740	9,113	-	1,279	-	1,001	8,000	-	-	-
TOTAL	**759**	**18,229**	**-**	**1,279**	**-**	**1,056**	**13,000**	**-**	**-**	**-**

(in thousands of Euro) AS AT 31 DECEMBER

	2024								2023							
	REVENUE			PURCHASES			FINANCIAL INCOME	FINANCIAL CHARGES	REVENUE			PURCHASES			FINANCIAL INCOME	FINANCIAL CHARGES
	Goods	Services	Other	Goods	Services	Other			Goods	Services	Other	Goods	Services	Other		
Neogy	-	289	-	-			251			189					50	
SF Energy	-	1,947	-	9,360	173	-	223	-	-	3,730	-	10,116	-	-	179	-
TOTAL	**-**	**2,236**	**-**	**9,360**	**173**	**-**	**474**	**-**	**-**	**3,919**	**-**	**10,116**	**-**	**-**	**229**	**-**

10. GUARANTEES AND COMMITMENTS

The Guarantees and commitments in favour of and undertaken by the Group as at 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	AS AT 31 DECEMBER	
Guarantees and commitments in favour of third parties	**2024**	**2023**
Guarantees given to third parties	8,113	8,539
Pledges on shares provided by the company to third parties	4,130	3,482
Financial commitments in favour of third parties	1,598	1,598
TOTAL	**13,841**	**13,619**

(in thousands of Euro)	AS AT 31 DECEMBER	
Guarantees received by third parties	**2024**	**2023**
Guarantees received by third parties in favour of banks for loans	115,500	115,500
Usage of signature facilities to issue bank/insurance guarantee	148,255	132,191
TOTAL	**263,755**	**247,691**

Please note that against the Bond Loan issued by SET Distribuzione for a nominal amount of 110 million euro, the Autonomous Province of Trento issued a guarantee in favour of the bondholders for 115 million euro, unchanged compared to the previous year.

The unsecured facilities for the issue bank and insurance sureties refer to sureties issued by the banking/insurance system in favour of third parties and in the interest of the Dolomiti Energia Group.

11. FEES TO DIRECTORS AND STATUTORY AUDITORS

The fees to directors and statutory auditors of the Group, for the years ended 31 December 2024 and 2023 are broken down as follows:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Board of Statutory Auditors	365	319
Directors	1,104	876
TOTAL	**1,469**	**1,195**

12. INDEPENDENT AUDITORS' FEES

The following table shows the remuneration received by the independent auditors Pricewaterhouse-Coopers S.p.A. for the auditing services of the financial statements for the Group companies and the consolidated financial statements for the years ended 31 December 2024 and 2023, as well as remuneration for other services:

(in thousands of Euro)	FOR THE YEAR ENDED 31 DECEMBER	
	2024	2023
Statutory audit	310	287
Other audit services	55	110
Remuneration for tax advisory services	-	-
Other services besides auditing	-	-
TOTAL	**365**	**397**

13. TRANSPARENCY IN THE PUBLIC FUNDING SYSTEM

In application of Article 1, paragraphs 125 et seq. of Italian Law No. 124/2017 (annual market and competition law) as reformulated by Article 35 of Italian Decree Law No. 34/2019 ("crescita" decree), published on the Official Journal No. 100 of 30 April 2019, please refer to the Italian National Registry of State aid, section "Transparency" in order to view any funding, subsidies, benefits, contributions or aid, in money or in kind, that are not general and that are not of a payment or remuneration nature or for damages, actually disbursed by the public administrations and the parties described under Article 2-bis of Italian Legislative Decree No. 33/2013 in 2024.

14. MANAGEMENT AND COORDINATION ACTIVITIES

The Company is not subject to management and coordination by any Shareholder or any other legal entity.

15. SIGNIFICANT EVENTS OCCURRED AFTER YEAR END

January 2025 saw the closing of the transaction for the Epico Group's acquisition of 100% of the share capital of Hydrowatt SHP S.r.l. This transaction, finalised by the subsidiary Dolomiti Transition Assets Srl for a total .outlay of 3,141 thousand euro to purchase the equity investment and a further 10,770 thousand euro as shareholder loan, includes 14 photovoltaic plants located in the Marche, Abruzzo, Lazio and Molise regions for a total capacity of 13.1 MW.

In February 2025, the agreement was finalised with the IVPC Group, leader in the sector of renewable energies in Italy, which envisages the acquisition of 49% of the share capital of a number of companies specialised in development, management and maintenance of wind and photovoltaic plants, and the acquisition of 75% of the share capital of certain IVPC Group companies holding around 66 MW of wind and photovoltaic plants already in operation, 30 MW currently under construction and a pipeline of further projects totalling around 867 MW, divided into various development phases, with approximately 72 MW already authorised and a further 212 MW at an advanced stage of the authorisation process. The transaction was finalised by the subsidiary Dolomiti Energia Rinnovabili Srl for a total outlay of 129,606 thousand euro to purchase the equity investments and a further 58,162 thousand euro as loan from existing shareholders and the acquisition of loans from former shareholders.

There are no other significant events after the reporting date of these financial statements that have not been recognised and that would significantly change the equity, financial and economic representation of the 2024 financial statements.

16. GLOBAL MINIMUM TAX FOR MULTINATIONAL GROUPS

The implementing decree, transposing Directive 2022/2523, introduced a coordinated system of rules developed by the OECD to combat global erosion of the corporate tax base (Pillar II GloBE Rules) to overcome the new international tax challenges arising from the digitalisation and globalisation of the economy. These rules – defined as part of the international agreement, reached at OECD/G20 level in October 2021 and signed by 137 countries, with others signing later – introduce an effective global minimum tax for large multinationals.

At national level, Italian Legislative Decree No. 209 approved on 27 December 2023 implements the EU Directive for the introduction of Pillar II and envisages application of a national minimum tax also on Italian companies belonging to large groups with annual consolidated revenue of at least 750 million euro, with effect from the year after that ending 31 December 2023.

The regulations introduced tests ("Transitional Safe Harbours") that allow temporary exemption from performing detailed calculations for the period 2024-2026 if the Group has a "Simplified Effective Tax Rate" greater than or equal to 15% for 2024, 16% for 2025 and 17% for 2026.

The Dolomiti Energia Group carried out the simplified ETR test, which determined a "Simplified Effective Tax Rate" well above 15%.

Attachment A to the Consolidated Financial Statements

Consolidation area

(in Euro)

DOLOMITI ENERGIA HOLDING	type	Share capital euro	2024	consolidation method
DOLOMITI ENERGIA SOLUTIONS	srl	120,000	100.00%	line-by-line
NOVARETI	spa	28,500,000	100.00%	line-by-line
DOLOMITI AMBIENTE	srl	2,000,000	100.00%	line-by-line
DOLOMITI GNL	srl	600,000	100.00%	line-by-line
DOLOMITI ENERGIA HYDRO POWER	srl	100,000	100.00%	line-by-line
GASDOTTI ALPINI	srl	10,000	100.00%	line-by-line
DOLOMITI ENERGIA WIND POWER	srl	100,000	100.00%	line-by-line
EPQ	srl	100,000	100.00%	line-by-line
FONDO PERLA	srl	100	100.00%	line-by-line
NEW POWER GROUP	srl	10,000	100.00%	line-by-line
POWERTWO	srl	10,000	100.00%	line-by-line
GREEN FIN	srl	10,000	100.00%	line-by-line
DOLOMITI HYDRO STORAGE	srl	100,000	100.00%	line-by-line
DOLOMITI ENERGIA TRADING	spa	2,478,429	98.72%	line-by-line
DOLOMITI ENERGIA	spa	20,405,332	82.89%	line-by-line
SET DISTRIBUZIONE	spa	120,175,728	68.58%	line-by-line
DOLOMITI TRANSITION ASSET	srl	1,000,000	100.00%	line-by-line
HDE	srl	3,000,000	100.00%	line-by-line
DEE	srl	5,000,000	51.00%	line-by-line
NEOGY	srl	750,000	50.00%	equity
IVIGNL	srl	1,100,000	50.00%	equity
SF ENERGY	srl	7,500,000	50.00%	equity
GIUDICARIE GAS	spa	1,780,023	43.35%	equity
ECO PUGLIA	srl	20,000	42.73%	equity
TECNODATA	srl	12,560	25.00%	equity
BIO ENERGIA TRENTINO	srl	3,000,000	24.90%	equity
AGS RIVA DEL GARDA	spa	23,234,016	20.00%	equity
RABBIES ENERGIA	srl	518,120	31.02%	equity
MASOENERGIA	srl	1,350,000	26.25%	equity
VERMIGLIANA	srl	273,580	20.00%	equity

Rovereto, 27 March 2025

The Chairperson of the Board of Directors

Silvia Arlanch

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The undersigned Silvia Arlanch, Chairperson of the Board of Directors and Michele Pedrini, Head of the Administration Department of Dolomiti Energia Holding SpA, taking account of provisions set out by regulations in force, hereby certify the following:

- the adequacy in relation to the characteristics;
- the actual application of the administrative and accounting procedures for the formation of the consolidated financial statements during the period from 1 January 2024 to 31 December 2024.

No significant aspects emerged to this regard during the actual application of procedures or concerning any reference to the general standards used in drawing up the certification.

It is also certified that:

- the consolidated financial statements as at 31 December 2024:
  a) have been prepared under the applicable international accounting standards endorsed by the European Union, pursuant to EC Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  b) agree with the balances shown in the books and accounting entries;
  c) give a true and fair view of the equity, economic and financial position of the Issuer and all companies included in the consolidation.
- the Report on Operations includes a reliable analysis of performance and the results of operations, and of the general situation of the Issuer and all companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Rovereto, 27 March 2025

The Chairperson
Silvia Arlanch

The Head of the Administration Department
Michele Pedrini

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT

Dolomit
energia
INTERNET
ULTRAVELOCE
CONSULENZA
GRATUITA
PRATICHE
SU FORNITURE

BOARD OF STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

To the Shareholders' Meeting of Dolomiti Energia Holding S.p.A.

Dear Shareholders,

The consolidated financial statements as at 31 December 2024 prepared by your Company's Directors comprise the Statement of Financial Position, Income Statement, Cash Flow Statement and Notes to the Financial Statements.

They have been made available to you and prepared in compliance with provisions of the Italian Civil Code.

The consolidated financial statements for the year ended 31 December 2024 were drafted according to the International Accounting Standards – IAS and the International Financial Reporting Standards – IFRS, issued by the International Accounting Standards Board (IASB), as well as to IFRIC and SIC interpretations, endorsed by the European Union pursuant to Regulation (EC) No. 1606/2002 in force at the reporting date.

In summary, in thousands of euro, the consolidated financial statements as at 31 December 2024 report total profit for the year of 441,269 euro (including 348,193 euro pertaining to the Group), total assets of 2,800,229 euro and consolidated shareholders' equity of 1,392,978 euro (including 1,258,056 euro pertaining to the Group).

The measurements specifically concern:

- the scope of consolidation;
- the consolidation method;
- the reference date of the consolidated financial statements.

SCOPE OF CONSOLIDATION

This includes the financial statements of the parent company Dolomiti Energia Holding S.p.A. and those of its Subsidiaries:

- Dolomiti Energia Solutions S.r.l.
- Novareti S.p.A.

- Dolomiti Ambiente S.r.l.
- Dolomiti GNL S.r.l.
- Dolomiti Energia Hydro Power S.r.l.
- Gasdotti Alpini S.r.l.
- Dolomiti Energia Wind Power S.r.l.
- EPQ S.r.l.
- Fondo Perla S.r.l.
- New Power Group S.r.l.
- Powertwo S.r.l.
- Green Fin S.r.l.
- Dolomiti Hydro Storage srl
- Dolomiti Energia Trading S.p.A.
- Dolomiti Energia S.p.A.
- SET Distribuzione S.p.A.
- Dolomiti Transition Assets S.r.l.
- Hydro Dolomiti Energia S.r.l.
- Dolomiti Edison Energy S.r.l.
- Neogy S.r.l.
- IVI GNL S.r.l.
- SF Energy S.r.l.
- Giudicarie Gas S.p.A.
- Eco Puglia S.r.l.
- Tecnodata S.r.l.
- Bio Energia Trentino S.r.l.
- Ags Riva del Garda S.p.A.
- Rabbies Energia S.r.l.
- Masoenergia S.r.l.
- Vermigliana S.r.l.

CONSOLIDATION METHOD

The consolidation criteria adopted are those indicated in the Notes to the Financial Statements, to which reference should be made.

Consolidation was performed using the line-by-line consolidation method for the following subsidiaries: Dolomiti Energia Solutions S.r.l., Novareti S.p.A., Dolomiti Ambiente S.r.l., Dolomiti GNL S.r.l., Dolomiti Energia Hydro Power S.r.l., Gasdotti Alpini S.r.l., Dolomiti Energia Wind Power S.r.l., EPQ S.r.l. , Fondo Perla S.r.l., New Power Group S.r.l., Powertwo S.r.l. , Green Fin S.r.l. , Dolomiti Hydro Storage srl, Dolomiti Energia Trading S.p.A., Dolomiti Energia S.p.A., SET Distribuzione S.p.A., Dolomiti Transition Asset S.r.l., Hydro Dolomiti Energia S.r.l., Dolomiti Edison Energy S.r.l.

Consolidation instead took place with the equity method for the associates: Neogy S.r.l., IVI GNL S.r.l., SF Energy S.r.l., Giudicarie Gas S.p.A, Eco Puglia S.r.l, Tecnodata S.r.l., Bio Energia Trentino S.r.l., Ags Riva del Garda S.p.A., Rabbies Energia S.r.l., Masoenergia S.r.l., Vermigliana S.r.l.

REFERENCE DATE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Statutory Auditors has confirmed that the consolidated financial statements were prepared on the basis of draft financial statements as at 31 December 2024 of the consolidated companies, as approved by their respective Boards of Directors.

The independent auditor PricewaterhouseCoopers SpA has assessed the regular nature and correspondence of the consolidated financial position and income statement with accounting entries of the parent company and information submitted by subsidiaries included in the consolidation.

The information and clarification provided in the Notes to the Financial Statements, the Report on Operations and the contents of the consolidated financial statements are confirmed to be fair.

The Shareholders' Meeting need to take the consolidated financial statements and accompanying documents into consideration only for information purposes since they are not subject to approval.

Rovereto, 14 April 2025

The Board of Statutory Auditors

Monia Bonenti
Laura Costa
Maura Dalbosco

Independent auditor's report

in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the shareholders of Dolomiti Energia Holding SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Dolomiti Energia Group (the Group), which comprise the consolidated statement of financial position as of 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2024, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of this report. We are independent of Dolomiti Energia Holding SpA (the Company) pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Corso Palestro 10 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001 - **Vicenza** 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

www.pwc.com/it

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Recoverability of the book value of property, plant and equipment related to hydroelectric concessions nearing expiry *Note 7.4 "Property, plant and equipment" of the explanatory notes to the consolidated financial statements as of 31 December 2024.*	
The item "Property, plant and equipment" of the Group's consolidated financial statements as of 31 December 2024 includes Euro 843 million related to plants for the use of hydroelectric concessions, mainly located in the Autonomous Province of Trento. Law 205 of 27 December 2017 ("2018 Budget Law"), the Law 160 of 27 December 2019 and subsequent provisions amended Article 13 of the Consolidated Law introduced by Presidential Decree no. 670 of 31 August 1972, prescribing that: • the concessions of large diversions in the provinces of Trento and Bolzano, with expiration date prior to 31 December 2024, are extended *de jure* for the period useful to complete the public tendering procedures and in any case not beyond the aforesaid date; • the concession-holder who, at its own expense, made investments related to "assets transferable for free", shall be entitled to receive, at the expiry of the concession, an indemnity equal to the value of the part of the asset that has not been depreciated, determined according to criteria that have to be set forth in a provincial law. With a resolution dated 18 October 2024, the Council of the Autonomous Province of Trento redefined the deadline for a series of concessions for large water diversions for hydroelectric purposes from 31 December 2024 to 31 March 2029. Law 9 of 21 October 2020 of the Autonomous Province of Trento defined the indemnification	Our audit procedures performed concerned the analysis and comprehension of the design and efficacy of relevant controls set up by management in order to guarantee the complete and accurate recognition of the non-current assets held. We selected a sample of increases in property, plant and equipment related to hydroelectric plants during the year; we obtained the supporting documentation and verified their accurate recognition as well as their correct allocation to assets transferable for free or not for free. We verified depreciation cost recognised in the year through recalculation. We examined the Company's management estimates of the cash flows expected in the period 2025-2028 from the cash generating units relating to the hydroelectric business. We examined the appraisal commissioned by the Company's management in 2024 to a third party expert for the estimate of the presumed repayment value of assets that are not transferable for free, and verified the correspondence of the terminal values of the cash generating units with the values as per the appraisal. We examined the impairment test, analysing the relating methodological correctness, the mathematical accuracy and, with the support of PwC network's experts, the discount rate used; in addition, we verified the sensitivity analysis carried out by the directors in relation to the relevant assumptions in order

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
criteria for “assets transferable for free”. The Group depreciates its “assets transferable for free” in order to complete their depreciation process upon expiry of the concessions, considering the necessary time reasonably expected to complete the public tendering procedures by the grantor. With reference to the assets related to the hydroelectric plants that are not transferable for free, the Group, already in the prior years, interrupted the depreciation whenever the book value of these assets was lower than the reimbursement value estimated by the directors for the outgoing concession-holder. Even in the absence of impairment indicators, as of 31 December 2024 the Company’s management has done a specific impairment test based on the discounted cash flow expected from the hydroelectric plants. Considering the significance of the value of the hydroelectric plants, the development of the applicable national and provincial regulations, as well as the expiry of the main concessions currently held, the recoverability of the value of such plants represented a key matter for the audit of the consolidated financial statements.	to identify the existance of any impairment of the hydroelectric plants. Finally, we verified the adequacy and the completeness of the information included in the explanatory notes.
Capital expenditure for the development and operation of the grids *Note 2.5 “Measurement criteria” item “Assets in concession” to the consolidated financial statements as of 31 December 2024.*	
Capital expenditure for the year relating to the Assets in concession related to the development and operation of the distribution grids for electricity and gas amounts to Euro 72,5 million.	We analysed, understood and evaluated the internal control system concerning the capital expenditure.
Revenue from distribution activities of electricity and gas is determined each year on the basis of specific tariff and regulatory measures set down	We identified and validated the operation and efficacy of the relevant manual and automated controls of such process.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
by Italian Regulatory Authority for Energy, Networks and Environment (*Autorità di Regolazione per l'Energia Reti e Ambiente - ARERA*), which are based on a pre-established return on capital invested, plus amortisation and depreciation and operating costs recognised. Considering the magnitude and the high number of transactions, the capitalization of costs for the operation and development of the distribution grids for electricity and gas represented a key audit matter.	We assessed that the capitalisation of costs complied with the international accounting standards. We also performed substantive procedures analysing, on a sample basis, the supporting documentation of capitalised costs in order to verify that these costs were accurate, complete and pertaining to the reporting period.
Accuracy of revenue from the sale of electricity and gas to end-users *Note 2.5 "Measurement criteria" item "Revenue recognition" of the explanatory notes to the consolidated financial statements at 31 December 2024.* Revenue from the sale of electricity and gas realised by the Group in the year ended 31 December 2024 derives for 55,8 % from end-users. The value of these revenues is calculated on the basis of the contract conditions set down with end customers and according to the specific tariff and regulatory provisions established by the ARERA. The recognition of revenue from the sale of electricity and gas to end-users is considered as a key audit matter given the complexity of the billing system marked by a high number of end customers and a high volume of data to be processed, with a combination of diversified tariffs and price components.	We analysed, obtained an understanding and assessed the Group's internal control system related to the recognition of revenues from the sale of electricity and gas, also through the support of our PwC network IT and system assurance process experts. We identified and validated the operation and efficacy of relevant controls by performing compliance testing on the relevant controls put in place by the Group. Furthermore, for a sample of bills to end customers, we carried out validity procedures in order to ascertain consumption data included in these bills, the correct application of the contract conditions with customers and the collection of the amounts billed.

pwc

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Dolomiti Energia Holding SpA or to cease operations, or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) No 537/2014

On 15 December 2017, the shareholders of Dolomiti Energia Holding SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2017 to 31 December 2024.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

pwc

Report on Compliance with other Laws and Regulations

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree No. 39/10

The directors of Dolomiti Energia Holding SpA are responsible for preparing a report on operations of Dolomiti Energia Group as of 31 December 2024, including its consistency with the relevant consolidated financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of Dolomiti Energia Group as of 31 December 2024.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 2020/852 are expressed by another auditor in the report prepared in accordance with article 14-bis of Legislative Decree No. 39/10.

Verona, 14 April 2025

PricewaterhouseCoopers SpA

Signed by

Paolo Vesentini
(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Gruppo Dolomiti energia

www.gruppodolomitienergia.it