Integrated Annual Report 2025

at 31 December

The Integrated Annual Report 2025 constitues non-official version which is not compliant with the provisions of the Comission Delegated Regulation (EU) 2019/815.

INSPIRING CHANGE TO POWER THE FUTURE

ERG
EVOLVING ENERGIES

CONTENTS

LETTER TO SHAREHOLDERS AND STAKEHOLDERS 2025

Dear Shareholders and Stakeholders,

2025 was characterised by a complex geopolitical scenario. Conflicts and changes in global balances have put a strain on the highly volatile energy market.

Two priorities to be addressed on the energy front also became evident over the course of the year: on the one hand, energy security has been made increasingly urgent by geopolitical tensions and the European need to reduce dependence on imported fossil fuels; on the other hand, the need for flexibility in electricity markets with storage systems and grid infrastructure, which are indispensable for increasing system resilience.

The debate on the pace and goals of the transition was reopened in Europe in 2025. In the United States, the Trump administration's change of direction has influenced the public and media debate, with a sharp turn in environmental policies, favouring fossil fuels.

Another key issue concerns the electrification of consumption. While production from renewable sources has grown rapidly over the past fifteen years, European electricity demand has stagnated, if not declined. For the energy transition to succeed, electricity generation and demand must grow in a balanced way. Only by expanding and making demand more flexible will it be possible to efficiently integrate new renewable generation, strengthen European energy security and reduce dependence on imported gas.

The growing focus on clean technologies confirms the need to continue decisively along the path towards a decarbonised economy. The evolution of the European energy system requires vision, regulatory consistency and adequate infrastructure to support the transition.

It is within this context of complex challenges and changing scenarios that ERG has reaffirmed its commitment to developing its renewable portfolio, adopting a flexible and selective approach focused on quality and value creation. Indeed, consistency with climate objectives and long-term sustainable development continues as a duty to all our stakeholders, our people and future generations, as well as a responsible industrial choice.

In this regard, we have just defined the strategic guidelines of the five-year business plan that we expect to present to the market between the end of 2026 and the beginning of 2027. More specifically, our strategy will focus on four key pillars:
1. driving operational excellence through the proactive management of asset portfolio, leveraging on digitalisation and predictive maintenance;
2. strengthening our focus on organic growth, particularly in wind repowering projects and storage systems: repowering as a lever to revitalise the portfolio and stabilise revenues, and BESS as a key source of flexibility to support the increasing penetration of renewables in power systems;
3. launching an asset rotation and geographic repositioning strategy, including through an opportunistic Build & Sell approach;
4. confirming a route-to-market model aimed at long-term revenue stability, based on CfD-type tariffs awarded through public auctions or PPA agreements with private counterparties.

To support our growth, we can rely on a pipeline of approximately 5.0 GW, largely composed of wind repowering projects and BESS systems. We have nearly 1 GW of highly visible projects, including around 230 MW of repowering and greenfield wind projects currently under construction, all benefiting from CfD-type tariffs, and a further 700 MW of projects, equally divided between repowering, much of which is already authorized, and BESS, which we expect can participate in the upcoming auctions or, alternatively, to secure PPAs.

Turning to financial performance, we closed 2025 with an EBITDA of EUR 540 million, up on 2024, though at the lower end of the guidance range due to exceptionally weak wind conditions during the period, among the lowest ever recorded. The contribution from new assets helped offset this impact at the gross margin level; however, net profit, at EUR 155 million compared to EUR 175 million in 2024, was affected by higher depreciation and financial expenses.

We continued to grow in 2025, adding around 150 MW of new capacity and demonstrating strong execution capabilities despite a complex environment. We further strengthened our presence in the UK, now the Group's third-largest market, where we rank among the top eight onshore wind operators. The year began with the completion of the acquisition of the 43 MW Broken Cross wind farm in Scotland, followed by the commissioning of the 47 MW Corlacky wind farm in Northern Ireland.

We continued our organic growth in Germany, securing three auctions for a total of 40 MW of new wind capacity and completing the country's first repowering project. In France, we finalised construction and began energising the 18 MW Picardie wind farm, further strengthening our position in the Group's second-largest market. In Italy, we commissioned our first battery storage plant for 12.5 MW in Vicari, Sicily, marking ERG's entry into the electrochemical storage business. Following the positive outcome of the FERX Decree, with the awarding of 141 MW, we have in the meantime started the construction of two wind repowering projects in Sicily and Campania, a technological intervention that underscores its strategic role in the development of our renewable portfolio.

At the beginning of the year, we progressed with our geographic refocusing strategy, exiting "non-core" countries to reallocate proceeds to the Group's strategic markets through the sale of the Furuby wind farm in Sweden and the acquisition of a 73 MW portfolio of plants in England, which will have their economic effects starting from January 1st, 2026.

In a context of high price volatility, during 2025 we reinforced our route-to-market approach by signing eight Power Purchase Agreements with leading corporate and utility counterparties, covering a total of approximately 8.7 TWh of renewable energy and confirming the strong appeal of our portfolio.

From a financial standpoint, the Group continued to demonstrate resilience and the ability to generate value by maintaining a well-balanced financial structure. Over the year, we upheld a stable and sustainable approach to shareholder returns, with a dividend of EUR 1 per share and the completion of a share buy-back programme. At the same time, our credit profile has been confirmed, as Fitch rating agency maintained our investment-grade rating with a stable outlook. Beyond traditional Debt Capital Market instruments, we also laid the groundwork for new financing solutions promoted by the European Bank of Investments. In this context, a first corporate line of EUR 243 million was disbursed at the start of 2026 to support the development of the Group's greenfield and repowering projects.

Once again this year, sustainability proved to be a conscious, concrete choice for ERG, an integral part of the Group's business model. The leading research centre on sustainable economics, Corporate Knights, has named ERG the world's most sustainable company. Our commitment to ESG issues has also been recognised by leading international rating agencies. ERG was included in the S&P Global Sustainability Yearbook as a Top Performer, was confirmed on CDP's A List for the fourth consecutive year and was recognised as a leader in several international indices and rankings.

In 2025, we strengthened our commitment to local communities, increasing our engagement and support in the regions where we operate. In Sicily, as part of our Social Purpose for Solar Revamping project, we inaugurated "Sunrise for Banco Alimentare", the region's first solidarity solar power plant. This project brings together clean energy, economic support and social dignity. At the same time, ERG continues to advance initiatives focused on Diversity & Inclusion, aiming to foster an inclusive workplace that values and respects differences. The renewal of our Gender Equality Certification, along with steady improvements in key international ratings, serves as a tangible reflection of our long-term commitment, translated into concrete policies and programmes.

Once again this year, we have demonstrated both our industrial and financial strength, as well as our ability to adapt to a changing environment while keeping a long-term perspective. We continue to invest in renewable energy with confidence, fully aware of the strategic role it will continue to play in the global energy landscape. We look ahead with responsibility and determination, strengthened by a long industrial tradition, proven expertise, and the everyday commitment of our people whose foresight guides change and helps shape the energy of tomorrow.

Edoardo Garrone
The Chairman

Paolo Luigi Merli
The Chief Executive Officer

WE ARE ERG
#VALUES

"We have successfully evolved the business model while remaining faithful to our values and our commitment to people and territories. Our long-term vision allowed us to address the energy transition, innovating and anticipating change. In this complex context, we continue to look to the future with a clear strategy, aware of the role that ERG is called upon to play in building a more sustainable energy system."

Edoardo Garrone
Chairman of the Board

"ERG's growth and transformation are made possible by its people and their ability to embrace and drive change: with passion, dedication and a deep alignment with the Group's values, they have tackled complexity with a constructive approach and a clear focus on the future. We will continue to strive to promote a shared culture and value system that can help ERG to meet the challenges of the market, creating real and lasting value."

Alessandro Garrone
Executive Vice President

"The energy market is becoming increasingly dynamic and complex, as is the geopolitical and macroeconomic environment in which we operate. Within this context, we continue along our decarbonisation path and our sustainable commitment to strengthening our renewable portfolio, particularly through repowering projects and investments in storage systems, with a flexible and selective approach aimed at generating positive impact for the areas where we operate and for our people."

Paolo Merli
CEO

PURPOSE, VISION & MISSION

PURPOSE

We inspire change to power the future

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

VISION

We pursue sustainable growth

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

MISSION

Pioneers of the clean energy shift

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

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Directors' Report

BASIS FOR PREPARATION

Disclosure pursuant to Articles 70 and 71 of the Issuers' Regulation
The Parent has selected the option, introduced by CONSOB with its resolution no. 18079 of 20 January 2012, of waiving the obligation to make available to the public an information document upon carrying out significant transactions, i.e. mergers, demergers, capital increases by contributions in kind, acquisitions and sales.

Operating segments
Operating profit is presented and commented on with reference to the various geographical segments in which ERG operates, in line with the Group's internal performance measurement methods. It should be noted that the results, shown by geographical segment, reflect the energy sales on markets by Group Energy Management, in addition to the application of effective hedges of the generation margin. Said hedges include, inter alia, the use of instruments to hedge the price risk. For a clearer representation, the results of the operating segments include hedges relating to renewable energy sources ("RES").

Group's 'geographical refocusing' operations *In line with the guidelines of the Business Plan, which provide for a geographical repositioning, on 20 January 2026 ERG announced the signing and simultaneous closing of two significant transactions in the United Kingdom and Sweden.*
ERG, through its subsidiary ERG UK Holding Ltd, acquired from OnPath Energy Midco Limited, a subsidiary of OnPath Energy, a long-established renewable energy developer active in the United Kingdom, 100% of a group of UK companies owning seven operational onshore wind farms in Northern England, with a total installed capacity of 73 MW. At the same time, ERG, through its subsidiary ERG Power Generation S.p.A., signed an agreement with Nordetic AB for the disposal of the entire share capital of ERG Sweden Holding AB, owner of Furukraft AB, the company that owns the Furuby wind farm located in Sweden. The consideration in terms of Enterprise Value was equal to EUR 70 million, including costs related to the sale of the asset.
In view of the above, in the reported financial statements, the accounting results relating to the Swedish asset, which was in the process of being disposed of at the reporting date, are shown separately in accordance with the requirements of IFRS 5.
To enhance understandability of the Group's performance, the adjusted results commented on in this Report also include in ordinary operations the results of the asset being sold at the reporting date. For the reconciliation of these amounts, please refer to the section "Alternative performance indicators".

Alternative Performance Indicators (APIs) and adjusted results
Some of the Alternative Performance Indicators (APIs) used in this Report are different from the financial indicators expressly provided for by the IAS/IFRS adopted by the Group.
These alternative indicators are used by the Group in order to facilitate the communication of information on its business performance as well as its net financial indebtedness.
In order to facilitate an understanding of the business segments' performance, the operating results are shown with the exclusion of significant special income components of an exceptional nature (special items): these results are indicated with the term "Adjusted results". The results that include significant income statement components of an exceptional nature (special items) are also defined as "Reported results".
A definition of the indicators and the reconciliation of the amounts involved are provided in the "Alternative Performance Indicators" section.

Risks and uncertainties in relation to the business outlook
With reference to the estimates and forecasts contained in this document, and in particular in the section "Business outlook", it should be noted that the actual results could differ from those presented due to a number of factors, including: future price trends, the operating performances of plants, wind and irradiance conditions, the impact of energy industry and environmental regulations, and other changes in business conditions and competitors' actions.

THE ERG GROUP

CORPORATE BODIES

BOARD OF DIRECTORS [1]

Chairman:	Edoardo Garrone (executive)
Deputy chairman:	Alessandro Garrone (executive)[2] Giovanni Mondini (non-executive)
Chief executive officer:	Paolo Luigi Merli
Directors:	Paolo Arlandini (non-executive)[3] Elisabetta Caldera (indipendent)[4] Federica Lolli (indipendent)[4] Marina Natale (indipendent)[4] Elisabetta Oliveri (indipendent)[4,5] Barbara Poggiali (non-executive) Renato Pizzolla (non-executive) Daniela Toscani (indipendent)[4]

BOARD OF STATUTORY AUDITORS [6]

Chairwoman:	Monica Mannino
Standing auditors:	Giulia De Martino Fabrizio Cavalli

Manager responsible for preparing the Company's financial reports (Italian Law no. 262/05)
Michele Pedemonte[7]

INDEPENDENT AUDITORS
KPMG S.p.A.[8]

1 Board of Directors appointed on 23 April 2024.
2 Director in charge of the Internal Control and Risk Management System.
3 Appointed on 12 December 2025, following the resignation of Luca Bettonte from the office of Director of ERG S.p.A., he will remain in office until the next ERG S.p.A. Shareholders' Meeting scheduled for 22 April 2026.
4 With reference to the provisions of Article 148, third paragraph, of the Italian Consolidated Finance Act, and the provisions of the current Corporate Governance Code promoted by Borsa Italiana S.p.A., also taking into account the "quantitative" and "qualitative" criteria defined in the Regulation for the operation of the Board of Directors, the Risk and Sustainability Committee and the Nominations and Remuneration Committee.
5 Appointed Lead Independent Director on 13 December 2024.
6 Board of Statutory Auditors appointed on 22 April 2025.
7 Appointed on 26 April 2021 at the same time as appointment to the office of Group CFO.
8 Appointed on 23 April 2018 for the period 2018 – 2026.

BUSINESS DESCRIPTION

The ERG Group is a leading independent operator of clean energy from renewable sources, operating in nine countries at European level and, from 24 April 2024, in the United States.
The leading wind power operator in Italy and among the top ten in Europe in the onshore wind sector, the Group is also active in the generation of energy from solar sources, being among the top five in Italy and with a gradually increasing presence in France and Spain.
A major player in the oil market until 2008, ERG radically changed its business portfolio in anticipation of long-term energy scenarios, successfully transforming towards a sustainable development model. Today the company is a leading European player in the renewable energy sector.

In 2021, the Group embarked on a major asset rotation programme aimed at completing its transformation towards a pure "Wind&Solar" business model, which materialised, after the sale of the hydroelectric business in 2022, with the sale of the thermoelectric business at the end of 2023, pursuing the strategic objective of the 2022-2026 Business Plan to focus on the core business of electricity production entirely from renewable sources.
As a result of the completion of these important transactions, the Group, whose industrial strategy integrates the ESG (Environmental, Social and Governance) plan, in line with the United Nations Sustainable Development Goals (SDGs), has become a 100% Renewable operator, a key player in the decarbonisation process underway globally, as well as in the realisation of a fair and inclusive energy transition.
Management of the industrial and commercial processes of the ERG Group is entrusted to the subsidiary ERG Power Generation S.p.A., which carries out:

- centralised Energy Management & Sales activities for all generation technologies in which the ERG Group operates with the mission of securing output through long-term contracts and managing the hedging of merchant positions in line with the Group's risk policies;
- the Operation & Maintenance activities of its wind and solar farms, which involves insourcing the maintenance of the Italian wind farms and some of the plants in France and Germany.

The ERG Group, with generation facilities of 3,974 MW installed renewable capacity (3,296 MW wind, 666 MW solar, 12.5 MW Storage), operates directly or through its subsidiaries, in the following Geographical Segments:

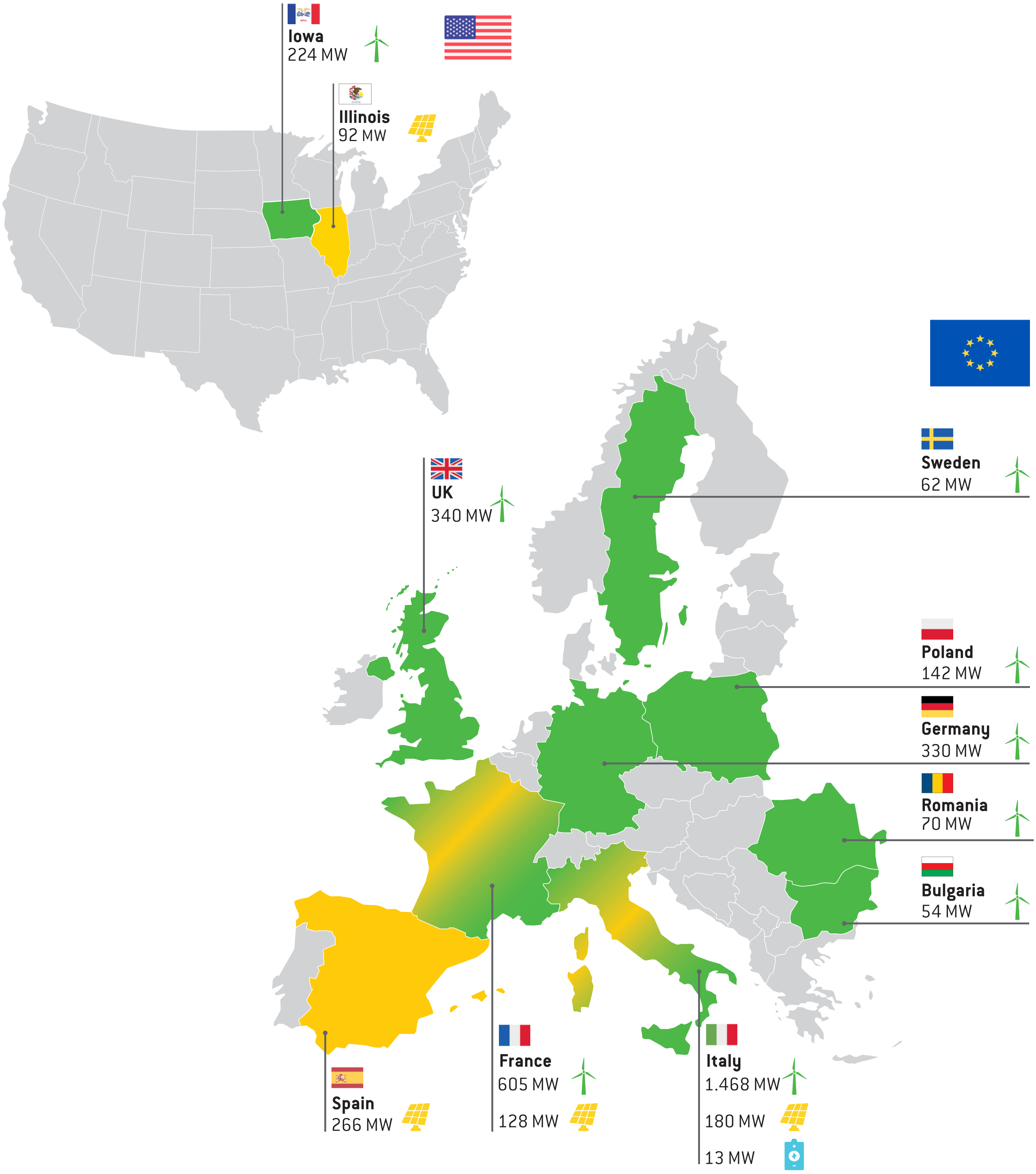
ITALY

In Italy, ERG has a total installed capacity of 1,649 MW in the sector of electricity generation from wind and solar sources.
Specifically, ERG is the leading operator in the wind power sector in Italy with 1,468 MW of installed capacity, and a leading operator in solar power generation with 180 MW of installed capacity.
During the financial year, ERG commissioned its first BESS (Battery Energy Storage Systems) plant in Vicari (Palermo), with an installed capacity of 12.5 MW. The plant, which became operational in November, is located within ERG's electrical substation, to which the nearby wind farms of Vicari (37.5 MW) and Roccapalumba (46.8 MW) are connected.

ABROAD

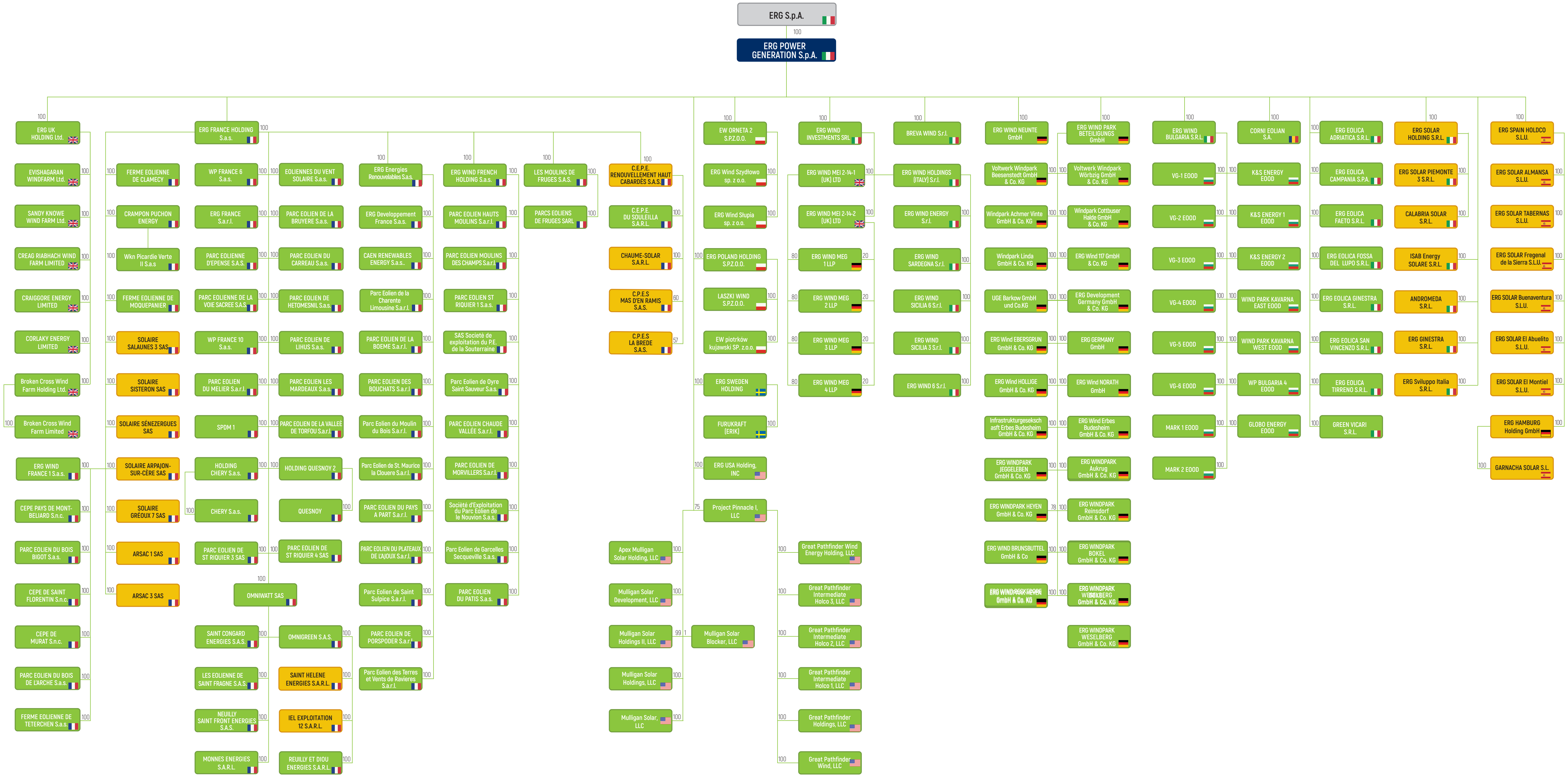
Outside Italy, ERG has a total installed capacity of 2,313 MW.
In wind power, ERG is one of the leading operators in Europe with a significant and growing presence (1,603 MW operational), particularly in France (605 MW), Germany (330 MW), the UK (340 MW), Poland (142 MW), Romania (70 MW), Bulgaria (54 MW) and Sweden (62 MW).
It should be noted that, in accordance with the guidelines of the Business Plan, which provide for geographical repositioning, on 20 January 2026, the Group acquired from OnPath Energy Midco Limited 100% of a group of companies incorporated under British law that own seven onshore wind farms operating in the North of England, with a total installed capacity of 73 MW.
In parallel, the Group sold to Nordetic AB, 100% of ERG Sweden Holding AB, owner of Furukraft AB, the company that owns the Furuby wind farm, located in Sweden, with an installed capacity of 62 MW.
ERG operates in France and Spain in the generation of electricity from solar sources with 393 MW of installed capacity, of which 128 MW in France and 266 MW in Spain.
Furthermore, since 2024, the Group has been present in the United States with 317 MW of installed capacity, of which 224 MW is wind power and 92 MW is photovoltaic power.

GEOGRAPHICAL SEGMENTS AT 31 DECEMBER 2025



The above map refers to the Group's installed capacity at 31 December 2025.
In January 2026, the Group increased the installed capacity in the UK to 413 MW (+73 MW following the recent acquisition of seven wind farms) and, at the same time, sold the Furuby wind farm in Sweden (62 MW). Following these two important transactions, which took place as part of a geographical repositioning, the Group's installed capacity is equal to 3,985 MW (+11 MW compared to 31 December 2025).

LINE-BY-LINE CONSOLIDATION SCOPE AT 31 DECEMBER 2025



ORGANISATIONAL MODEL

The Group's organisational structure features a strong focus on process logic and the implementation of strategic business leverages, and provides for the definition of two macro-roles:

- ERG S.p.A. – which provides strategic guidance – is directly responsible for business development and ensures the management of all business support processes ("Corporate processes"), also through personnel from other Group companies.
  The company is organised in the following areas:
  - Corporate Strategy and Mergers & Acquisitions;
  - Business Development, Engineering & Construction;
  - Administration, Finance, Control & Procurement;
  - Human Capital & ICT;
  - Regulatory & Public Affairs;
  - Corporate & Legal Affairs;
  - ESG, IR & Communication.

- ERG Power Generation S.p.A. – which ensures the management of the engineering and construction activities and the industrial and commercial processes of the Group, also through personnel belonging to other subsidiaries, organised as part of the "Generation & Market" department in:
  - Wind & Solar generation units, which in turn are organised on a geographical basis;
  - an Energy Management & Sales structure, as a single entry point to organised markets and the main clients/counterparties;
  - a centre of expertise that ensures the efficiency of the operating model and the related global standardisation of processes;
  - a structure dedicated to managing health, safety, quality and environmental protection topics for the entire Group;
  - an area dedicated to the development and digitalisation of business systems.

Starting from 2024, in line with the objectives of the Business Plan, the Group has implemented an evolutionary path for its operating model in order to develop more flexible investment strategies and capitalise on the best market opportunities. Accordingly, the organisational changes include (i) the establishment of a new Corporate Strategy and M&A area that aims to create value in Europe and the United States through M&A initiatives, Joint Ventures, commercial partnerships, co-development agreements and innovative projects, and (ii) the establishment of a single Business Development, Engineering & Construction area in order to enhance the skills present in the Group and make the end-to-end organic development process more effective. Additionally, to better address the challenges of the current context, the operating model of the Generation & Market area has also evolved. This evolution focuses on enhancing plant performance, advancing commercial offerings, and leveraging digitalisation as a crucial tool for increasing efficiency, innovation and competitiveness.

Finally, as a confirmation of the interest in Battery Energy Storage Systems (BESS) and with the aim of continuing the development and enhancement of this technology, the BESS Development Programme was launched with the objectives of:

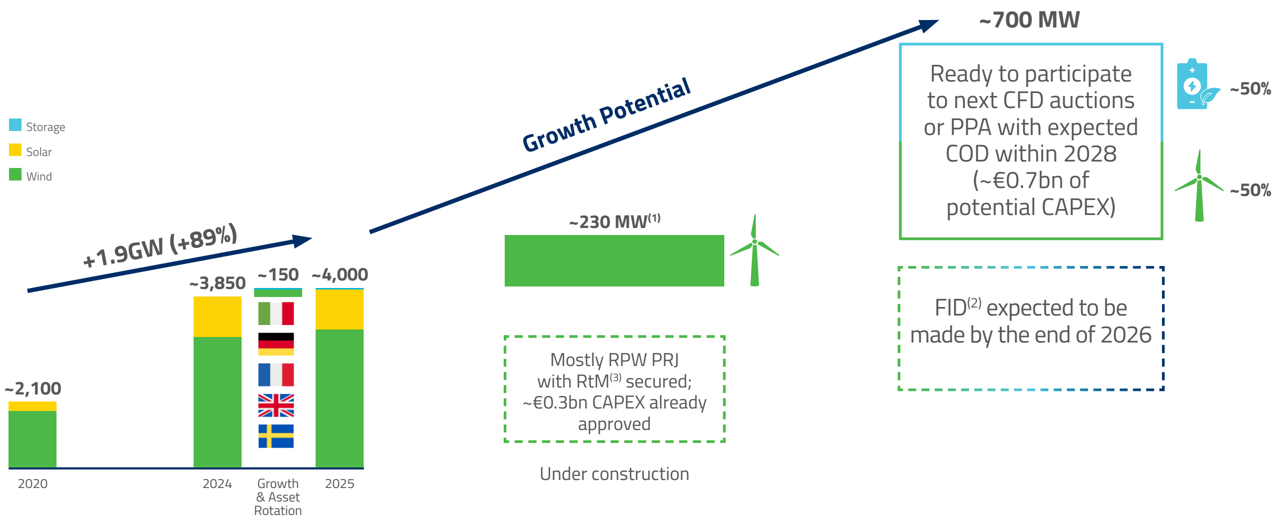
- identifying, designing, authorising and analysing the business cases of storage facilities in the various countries where ERG operates;
- analysing and evaluating any additional opportunities identified and proposed by the Corporate Strategy and Mergers & Acquisitions Organisational Unit.

The implementation of this programme requires a highly cross-functional approach, with the ability to integrate and enhance contributions and knowledge from various business areas. This need has been met through the establishment of a dedicated Working Group.

STRATEGY

2025 once again proved to be a complex year, characterised by a rapidly evolving geopolitical and macroeconomic environment and by strong price volatility, in a context marked by extreme weather events. At the same time, the year was marked by a shifting geopolitical landscape that significantly influenced energy market dynamics. In the United States, the new administration drastically changed its environmental policies, favouring fossil fuels and ending the country's participation in international climate agreements such as the Paris Agreement. Although there has been substantial confirmation of the climate targets and principles of the Green Deal in Europe, there is still resistance at the political level and implementation delays in various countries.
Two priorities to be addressed in the energy market also became evident over the course of the year: on the one hand, energy security has been made more and more urgent by geopolitical tensions and the European need to reduce dependence on imported fossil fuels; on the other hand, the need for flexibility in electricity markets with storage systems and grid infrastructure, which are indispensable for increasing system resilience.
Another key issue concerns the electrification of consumption. While electricity generation from renewable sources has grown rapidly over the past fifteen years, European electricity demand has remained stagnant, if not declining. For the energy transition to succeed, electricity generation and demand must grow in a balanced way. Only by expanding and making electricity demand more flexible will it be possible to efficiently integrate new renewable generation, strengthen European energy security and reduce dependence on imported gas.
The growing focus on clean technologies confirms the need to continue decisively along the path towards a decarbonised economy. The evolution of the European energy system requires vision, regulatory consistency and adequate infrastructure to support the transition.
It is within this context that ERG has reaffirmed its commitment to the sustainable development of its renewable portfolio, adopting a flexible and selective approach focused on quality and value creation. With around 90 years of industrial experience, ERG recognises that the electricity transition is an essential pathway to ensure competitiveness and energy security. For this reason, the Group believes that a European policy framework capable of accelerating the electrification of consumption, promoting the renewal of grid infrastructure and introducing new market mechanisms to support future sector investments is crucial. Only in this way will we be able to help build a stronger and more sustainable future for all the countries in which we operate.
ERG also continued its growth journey in 2025, always in line with the "Value over Volume" approach — pursuing selective and flexible growth capable of capturing the most valuable business opportunities.

A solid and sustainable growth path.



(1) It includes RPW (Repowering) gross capacity
(2) FID = Final Investment Decision
(3) RtM = Route-to-Market

Repowering remains central to the Group's business strategy, positioning it as a leader in this type of intervention which is essential to the energy transition thanks to a solid and visible project pipeline. Development will focus on the geographical areas where we already operate, and asset rotation could represent a lever for growth, aimed at maximising the value of our investments with the objective of focusing on the countries where we have an industrial presence. We also aim to increase the flexibility of our portfolio by developing battery energy storage systems (BESS) alongside our wind technology development.

As far as Route-to-Market is concerned, the Group intends to leverage its consolidated experience in energy management to optimise its market access strategy. We reaffirm our commitment to achieving the target of 85%-90% of quasi-regulated EBITDA through long-term support mechanisms, particularly government CFDs and PPAs with leading corporate counterparties across the various geographical areas in which we operate. These long-term contractual arrangements remain fundamental tools for addressing ongoing market volatility.
ERG confirms its commitment to maintaining its financial structure within the current rating class, capable of supporting growth and shareholder remuneration in a sustainable manner.
For the Group, sustainability remains a concrete choice capable of generating long-term value from an economic and social perspective and is fully integrated into its business.
Through its ESG Plan, which is aligned with the United Nations Sustainable Development Goals and structured around four pillars – Planet, People, Engagement and Governance – ERG has defined shared, concrete and measurable objectives. The current commitment focuses on achieving Net Zero by 2040, on the conscious use of resources, including for social purposes, and on promoting Diversity & Inclusion policies for an inclusive workplace.

CHANGE IN BUSINESS SCOPE DURING THE YEAR

- **Wind – United Kingdom: Broken Cross**
  On 16 January 2025, ERG, through its subsidiary ERG UK Holding Ltd, finalised the Share Purchase Agreement (SPA) with BayWa r.e AG (signed on 20 December 2024) for the acquisition of 100% of the shares of BayWa r.e. UK (Jubilee) Limited, a company that owns Broken Cross Wind Farm Limited, which owns a 43.2-MW onshore wind farm in South Lanarkshire, Scotland. The wind farm, which entered into operation in the fourth quarter of 2024, consists of nine Nordex N133 turbines, each with a capacity of 4.8 MW and benefits from a 15-year Contract for Difference (CfD) awarded in the AR4 auction, in line with the Group's revenue securing strategy. The annual production is estimated at approximately 120 GWh, equivalent to 46 kt of CO_2 emissions avoided each year, equal to the energy needs of over 28,000 households. The enterprise value of the transaction amounts to GBP 60 million. The two newly acquired companies are consolidated on a line-by-line basis starting from 1 January 2025.

During the financial year, the following were also completed:
- the repowering of the Reinsdorf wind farm was completed (+3 MW incremental), with an expected annual output of 11.5 GWh. This project, which has already obtained a twenty-year tariff, is the first full refurbishment of the Group's wind farms abroad.
- the construction and energisation of a new wind farm developed and built in-house by the Group in France, in the Pas-de-Calais region, with a total installed capacity of 18 MW.
- the construction and energisation of the Corlacky wind farm, in Northern Ireland, for a total installed capacity of 47 MW.
- the first BESS (Battery Energy Storage Systems) plant in Vicari (Palermo). The plant is located within ERG's electrical substation, to which the nearby wind farms of Vicari (37.5 MW) and Roccapalumba (46.8 MW) are connected, for a total installed capacity of 12.5 MW.

It should also be noted that, as part of the first auction procedure of the transitional RES-X Ministerial Decree, two complete refurbishment projects (known as 'repowering') were awarded for a total of 141 MW. Specifically, the assignment concerns the wind repowering project in Carlentini (Syracuse) for a total of 97 MW (of which 81 MW will be completely rebuilt) and the project in Greci-Montaguto (Avellino) for a capacity of 44 MW.

GEOGRAPHICAL RE-FOCUS FOR THE GROUP

As already indicated in the introduction, in accordance with the guidelines of the Business Plan, which provide for geographical repositioning, it should be noted that on 20 January 2026, ERG finalised the agreement with OnPath Energy Midco Limited for the acquisition of a group of British companies that own seven onshore wind farms operating in the North of England, with a total installed capacity of 73 MW.
In parallel, ERG sold to Nordetic AB, 100% of ERG Sweden Holding AB, owner of Furukraft AB, the company that owns the Furuby wind farm, located in Sweden, with an installed capacity of 62 MW.
In view of the above, in the **reported** financial statements, the accounting results relating to the Swedish asset, which was in the process of being disposed of at the reporting date, are shown separately in accordance with the requirements of IFRS 5.
To enhance understandability of the Group's performance, the **adjusted** results commented on in this Report also include in ordinary operations the results of the asset being sold at the reporting date. For the reconciliation of these amounts, please refer to the section **"Alternative performance indicators"**.

ERG'S STOCK MARKET PERFORMANCE

At 30 December 2025, the reference price of the ERG share was EUR 21.98, a positive performance (+11.86%) compared to the end of the previous year, albeit lower than the growth of the S&P Global Clean Energy Index (+29.90%).
In the same period, a positive performance was also recorded by the Euro Stoxx Utilities Index (+34.53%), the FTSE MIB (+31.47%), the FTSE All Share (+30.97%) and the FTSE Mid Cap (+23.23%).

During the reporting period, the listed price of the ERG share ranged between a minimum of EUR 15.96 (8 April) and a maximum of EUR 22.98 (22 October).

The figures relating to the prices and exchange volumes of ERG stock at 30 December 2025 are set out below:

Share price	Eur
Reference price at 30/12	21.98
Maximum price (22.10) (1)	22.98
Minimum price (08.04) (1)	15.96
Average reference price	19.64

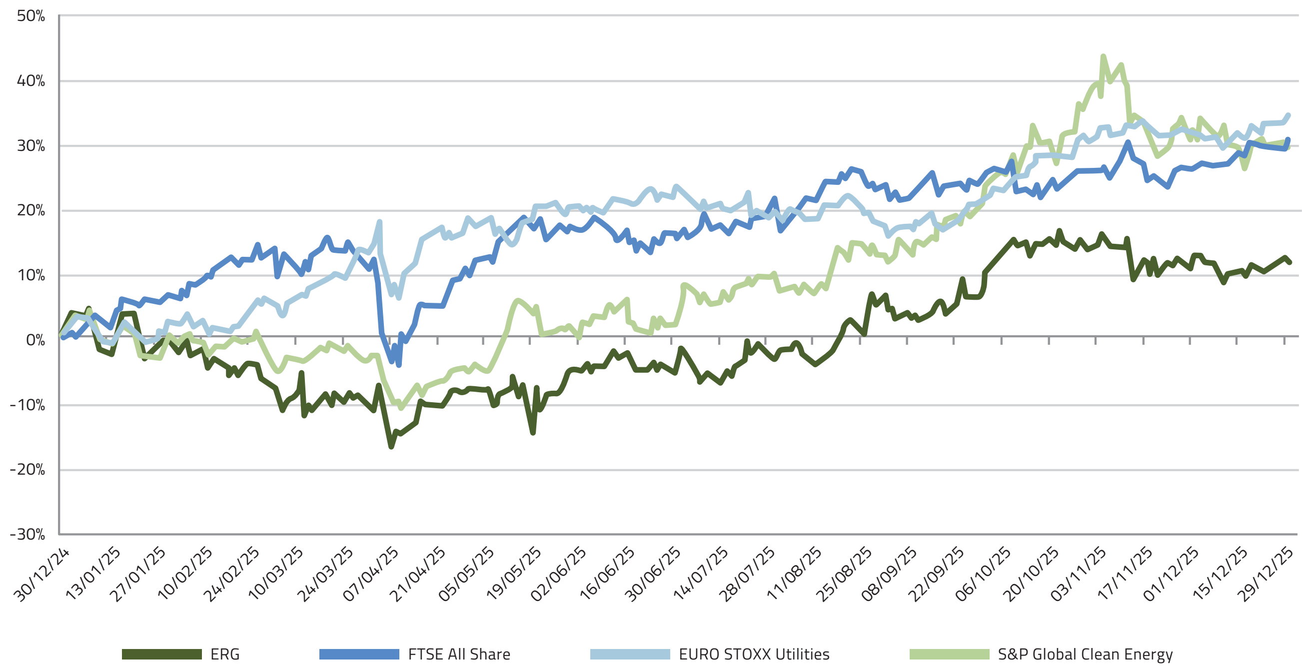
(1) lowest and highest prices reached during the day's trading; hence they do not match the official reference prices on the same date.

Volumes traded	No. of shares
Maximum volume (20.05)	1,362,233
Minimum volume (13.08)	85,431
Average volume	338,618

Market capitalisation was approximately EUR 3,304 million at the end of the year (EUR 2,954 million at the end of 2024).
The number of shares outstanding at 30 December was 145,354,760.

ERG SHARE PRICE PERFORMANCE AND SHAREHOLDING STRUCTURE AT 31 DECEMBER 2025

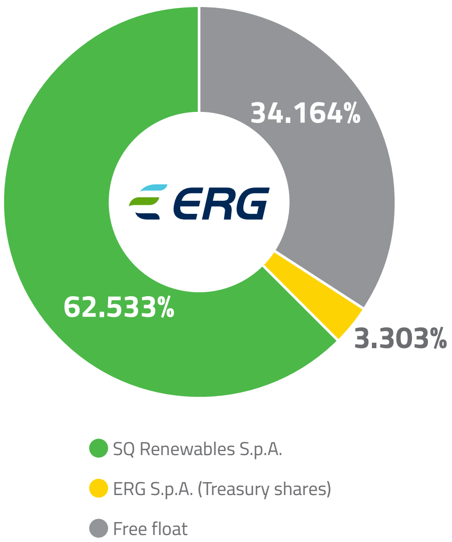
ERG vs Euro Stoxx Utilities, FTSE All Share and S&P Global C. Energy
Change % from 30/12/2024 to 30/12/2025



SHARE BUY-BACK PROGRAMME

On 14 November 2024, the Board of Directors of ERG S.p.A. approved the launch of a share buy-back programme, implementing the resolution adopted by the Shareholders' Meeting on 23 April 2024. This initiative is intended as an investment strategy aimed at maximising value creation for the Company and its shareholders, with a maximum duration of three months from the date of the resolution. The maximum number of Shares that may be purchased under the programme has been set at 1,200,000 (e.g. a total of 0.798% of the share capital), with a maximum outlay of EUR 22,600,000, without prejudice to any other limitation possibly deriving from legislative or regulatory provisions.
The share buy-back programme was completed on 31 January 2025 following the achievement of the maximum total disbursement of EUR 22.6 million; since the start of the programme, 1,133,766 ordinary shares have been repurchased at a weighted average price of EUR 19.8996 per share. Considering the shares already in its portfolio prior to the start of the programme, ERG S.p.A. holds 4,965,240 treasury shares, equal to 3.3031% of the related share capital.

Information on the purchase of treasury shares was updated weekly on the Company's website (www.erg.eu) in the "Media/Press Releases" section.
Below is the company's shareholding structure at the reporting date of 31 December 2025:



SIGNIFICANT EVENTS DURING THE YEAR

Date	Geographical segment	Sector	Significant event
13 January 2025	Italy	Wind	ERG and Engie signed a 5-year Power Purchase Agreement (PPA) for the supply of 44 GWh/year of energy produced by ERG wind farms located in Italy and not subject to tariff incentive schemes.
16 January 2025	UK & Nordics	Wind	ERG, through its subsidiary ERG UK Holding Ltd, has acquired the entire share capital of BayWa r.e AG from BayWa r.e. UK (Jubilee) Limited, a company that owns Broken Cross Wind Farm Limited, which owns a 43.2-MW onshore wind farm in South Lanarkshire, Scotland.
20 January 2025	Italy	Wind	ERG and Plenitude, a subsidiary of ENI, have signed a 5-year "pay as produced" Power Purchase Agreement (PPA) for the supply of approximately 64 GWh/year of energy produced by ERG wind farms in Italy and no longer subject to tariff incentive schemes.
4 February 2025	UK & Nordics	Wind	ERG and Amazon have signed a long-term Power Purchase Agreement (PPA). The "pay-as-produced" agreement concerns the supply of energy and REGOs (Renewable Energy Guarantees of Origin) produced by the Corlacky wind farm in Northern Ireland, whose construction will be completed by the end of the fourth quarter of 2025, with subsequent commissioning.
12 February 2025	Italy	Corporate	ERG has been listed as a Top Performer in the prestigious S&P Global Sustainability Yearbook 2025, the annual benchmark ranking recognising leading companies in corporate sustainability.
11 March 2025	Italy	Corporate	The Board of Directors of ERG S.p.A. has approved the Integrated Consolidated Financial Statements at 31 December 2024 and the Report on Corporate Governance and Ownership.
28 March 2025	Germany	Wind	ERG announces that it has won three single-price auctions granting it twenty-year tariffs for the construction and operation of the Heyen, Jeggeleben and Brunsbuttel wind farms, totalling 40 MW. ERG also announced the completion of the repowering of the Reinsdorf wind farm (6 MW), with expected annual output of 11.5 GWh. This process will carry on with the recently authorised repowering of the Beckendorf wind farm (13 MW). In the country there is also a greenfield park under construction in Aukrug (22 MW), expected to be completed in the first half of 2026.
8 April 2025	Italy	Corporate	Fitch Ratings agency confirmed for ERG S.p.A. a Long-Term Issuer Default Rating (IDR) of BBB- with stable outlook and a senior unsecured rating of BBB-. In an energy and macroeconomic scenario characterised by increasing volatility, the rating reflects the solidity of the Group's business model and its renewable portfolio.
22 April 2025	Italy	Corporate	The Ordinary Shareholders' Meeting of ERG S.p.A. has approved the Financial Statements at 31 December 2024, resolved the payment of EUR 1 per share, appointed the new Board of Statutory Auditors, authorised the purchase of up to a maximum of 15,032,000 treasury shares and approved the Report on the remuneration policy for 2025 and on the remuneration paid in 2024.
8 May 2025	France	Wind	ERG has completed the construction and begun the energisation of the Picardie I 18-MW wind farm in the Pas-de-Calais region of France, which the Group developed and built in-house. The new farm benefits from a 20-year contract for difference (CfD).
18 June 2025	Italy	Corporate	ERG has taken the top spot in the "Identity Corporate Index 2025" (ICI), the index that analyses the integration of ESG factors into corporate governance and management models. In the 2025 edition, the ranking examined 98 Italian companies, 22 of which belong to the FTSE MIB.

31 July 2025	**United Kingdom**	**Wind**	ERG has completed construction and started energising the Corlacky wind farm in Northern Ireland, consisting of 11 Vestas V117 turbines at 4.3 MW each, for a total installed capacity of 47.3 MW.
1 August 2025	**Italy**	**Corporate**	ERG has signed a 15-year Power Purchase Agreement (PPA) with the A2A Group for the total supply of approximately 2.7 TWh of renewable energy from wind sources over the period, starting on 1 January 2027. The agreement provides for the purchase by A2A of clean energy produced by ERG's wind farm in Salemi Castelvetrano in the province of Trapani, the fourth project launched as part of the repowering programme for the plants in its portfolio.
4 September 2025	**Italy**	**Corporate**	ERG has signed three Power Purchase Agreements (PPAs) with the FS Group for the total supply of 1.2 TWh (185 GWh/year) of renewable energy starting on 1 October 2025. The first contract has a duration of 10 years and provides for the supply of 55 GWh/year, while the other two have a duration of 5 years and provide for the supply of 60 GWh/year and 70 GWh/year respectively. The energy will be supplied by wind farms in ERG's portfolio in Italy that are not subject to incentive schemes.
21 October 2025	**Italy**	**Corporate**	Presented in Catania, the new charity-driven solar canopy at the Banco Alimentare della Sicilia warehouses, built thanks to the donation of regenerated modules as part of the Social Purpose for Solar Revamping programme, which will turn energy savings into food aid for the most vulnerable families.
5 November 2025	**Italy**	**Storage**	ERG announces the launch of the first BESS (Battery Energy Storage Systems) plant in Vicari (Palermo), with a capacity of 12.5 MW, a nominal storage capacity of 50 MWh and a charge and discharge cycle of approximately 4 hours. The plant is located within ERG's electrical substation, to which the nearby wind farms of Vicari (37.5 MW) and Roccapalumba (46.8 MW) are connected.
1 December 2025	**UK & Nordics**	**Wind**	ERG, through its subsidiary Furukraft AB, has reached an agreement to sign a 10-year Power Purchase Agreement (PPA) with Skellefteå Kraft AB, a Swedish municipal energy company. The agreement, valid from 1 January 2026, provides for the pay-as-produced supply of approximately 150 GWh per year, for a total of 1.5 TWh, of renewable energy produced by ERG's Furuby wind farm.
3 December 2025	**Italy**	**Wind**	ERG has been awarded 20-year "pay as produced" tariffs in the first auction procedure under the transitional RES X Ministerial Decree, with two complete refurbishment projects (known as 'repowering') totalling 141 MW. Specifically, the assignment concerns the wind repowering project in Carlentini (Syracuse) for a total of 97 MW (of which 81 MW will be completely rebuilt) and the project in Greci-Montaguto (Avellino) for a capacity of 44 MW. The total installed capacity will be 141 MW, more than double the current capacity (69 MW), with an estimated average annual energy production of over 300 GWh/year, approximately three times higher than the current level. Construction is expected to start at the beginning of 2026, while both wind farms are expected to come into operation in 2027.
11 December 2025	**Italy**	**Corporate**	ERG is confirmed as being on the Carbon Disclosure Project's "A list" for the fourth consecutive year. Compared to last year, the Group recorded a clear improvement in the management of emissions and in the objectives of reducing greenhouse gas (GHG) emissions.
12 December 2025	**Italy**	**Corporate**	Following Luca Bettonte's resignation from his position as Director of ERG S.p.A. and member of the Strategic Committee (Press Release dated 14 November), the Board of Directors of ERG S.p.A. has appointed Paolo Arlandini as the new non-executive Director of the Company and member of the Strategic Committee. The Director will remain in office until the next Shareholders' Meeting of ERG S.p.A., scheduled for 22 April 2026.

OTHER INFORMATION

It should also be noted that on 1 July 2025, the proportional partial demerger was finalised through the spin-off of the indirect parent San Quirico S.p.A. (which adopted the new name GARMON S.p.A.), with the transfer of part of its assets to a newly incorporated beneficiary company, wholly owned by the former, which assumed the name San Quirico S.p.A.

These changes have had no direct impact on the Company, either in relation to the limited management and coordination activity that SQ Renewables S.p.A. continues to carry out with respect to the Company, or in relation to the entity (namely GARMON S.p.A., formerly San Quirico S.p.A.) which ultimately continues to control ERG S.p.A.

HIGHLIGHTS

(EUR million)		Reported [1] 2025	Reported [1] 2024	Adjusted [2] 2025	Adjusted [2] 2024
MAIN INCOME STATEMENT FIGURES					
Revenue		**744**	**733**	**752**	**738**
Gross operating profit		**526**	**525**	**540**	**535**
Operating profit		**172**	**252**	**263**	**271**
Profit attributable to owners of the parent		**65**	**187**	**155**	**175**
Ebitda Margin %		**71%**	**72%**	**72%**	**72%**
MAIN FINANCIAL FIGURES					
Net invested capital [3]		**4,165**	**4,246**		
Equity		2,045	2,223		
Net financial indebtedness (before IFRS 16) [4]		1,882	1,793		
Net financial indebtedness (after IFRS 16) [4]		2,119	2,023		
Financial leverage before IFRS 16 [5]		48%	45%		
OPERATING DATA					
Total installed capacity at the end of the year	**MW**			**3,974**	**3,845**
New installed capacity for the year	**MW**			**129**	
of which Wind Italy	*MW*			0	
of which Solar Italy	*MW*			5	
of which Italy Storage	*MW*			13	
of which Wind Abroad	*MW*			112	
of which Solar Abroad	*MW*			0	
Total electricity output	**GWh**			**7,241**	**6,959**
Production linked to the new capacity for the year				**772**	
of which Wind Italy	*GWh*			237	
of which Solar Italy	*GWh*			28	
of which Wind Abroad	*GWh*			460	
of which Solar Abroad	*GWh*			46	
Gross operating profit				**540**	**535**
Wind Italy				231	250
Solar Italy				96	90
Wind Abroad				212	192
Solar Abroad				18	24
Corporate				(17)	(21)
Net unit revenue [6]	**EUR/MWh**			**99**	**102**
Capital expenditure [7]	**EUR million**			**235**	**553**
Employees at the end of the year	**Units**			**672**	**660**

(1) Reported economic indicators are calculated on the basis of the Financial Statements and include special items and related taxes. It should be noted that in the reported financial statements, the accounting results relating to the Swedish asset, which was in the process of being sold at the reporting date, are shown separately in accordance with IFRS 5. The reported economic values for the comparative period have been restated in accordance with IFRS 5.

(2) Adjusted economic indicators do not include special items and related taxes and also include in ordinary activities the results of the Swedish asset, which was in the process of being sold at the balance sheet date.

(3) Net Invested Capital includes the contribution of the wind power asset located in Sweden, sold in January 2026.

(4) Net financial indebtedness includes the contribution of the wind asset located in Sweden, sold in January 2026, and is reported in two measures: "before IFRS 16", excluding the liability related to the application of IFRS 16, and "after IFRS 16", including the aforementioned liability.

(5) Financial leverage before IFRS 16 is calculated by comparing the net financial indebtedness before IFRS 16 with the net invested capital, not including Right-of-Use assets amounting to EUR 209 million.

(6) Net unit revenue (net of clawbacks) is expressed in EUR/MWh and is calculated by dividing the technology output by the revenue achieved on energy markets, inclusive of the impact of hedges, of any incentives due and the relative variable costs associated to generation/sale including, for example, imbalance costs and market access fees.

(7) In property, plant and equipment and intangible assets. The 2025 figure includes the impact of the acquisition in January 2025 in the United Kingdom (43 MW), while the comparative figure includes the effect of the acquisition in the United States of a wind and solar portfolio for a total of 317 MW.

COMMENTS ON THE PERFORMANCE FOR THE YEAR

In 2025, **adjusted revenues** amounted to EUR 752 million, up from EUR 738 million in 2024, due to the full contribution of the new capacity progressively installed between 2024 and 2025, largely offset by wind conditions significantly below historical averages in Europe and a scenario of falling prices starting in the second half of 2025.
Output amounted to 7.2 TWh, up from 7.0 TWh in 2024, thanks to the full contribution of new capacity coming on stream in Italy, France, Germany, the UK and the United States (+0.8 TWh, of which +0.3 in the US), partially offset by the extraordinary and persistent lack of wind throughout the year (-0.5 TWh).

Adjusted gross operating profit, net of special items, amounted to EUR 540million, up compared with the EUR 535 million (+5 million, +1%) recorded in 2024.

ITALY

- **Wind (EUR -19 million)**: gross operating profit of EUR 231 million, down compared to 2024 (EUR 250 million), due to lower output recorded, stemming from a persistently significant lower wind level in the period. This reduction is partially offset by the full contribution of the repowered and greenfield plants that came into operation in 2024 and the increase in the price of the GRIN incentive (55 EUR/MWh in 2025, 42 EUR/MWh in the 2024). Total output amounted to 2,462 GWh compared to 2,479 GWh in 2024, due to the aforementioned significantly lower wind levels (-10% on a like-for-like basis), partially offset by the contribution from newly commissioned assets (+237 GWh).
- **Solar (+6 million)**: gross operating profit of EUR 96 million, up compared to 2024 (EUR 90 million) due to the contribution from the systems undergoing revamping and repowering and improved irradiation, partly offset by lower captured prices. Output totalled 282 GWh, up compared to 241 GWh in 2024.

ABROAD

- **Wind (+20 million)**: gross operating profit of EUR 212 million, up compared to 2024 (EUR 192 million) due to the contribution of new assets and better prices in Eastern Europe and France, partly offset by wind speeds significantly below historical averages in Europe. Total output stood at 3,753 GWh compared to 3,514 GWh in 2024, thanks to the contribution from newly commissioned assets (+460 GWh), largely offset by the markedly lower wind levels (-6% on a like-for-like basis).
- **Solar (-6 million)**: gross operating profit of EUR 18 million, down compared to 2024 (EUR 24 million) due to lower prices captured in Spain, partly offset by the full contribution of solar farms in the US and France that became operational in 2024. Output totalled 744 GWh in 2025, compared with 725 GWh in 2024, an increase mainly due to the full contribution of wind farms in the US and France (+46 GWh), offset by lower diffuse radiation.

Furthermore, the period benefited from lower Corporate costs (EUR +4 million) compared to 2024.

Overall, the contribution of installed capacity (approximately EUR +62 million) is largely offset by lower production of approximately EUR -47 million and lower sales prices.
It should be noted that the overall gross operating profit is impacted by the electricity price hedging policies implemented in line with the Group's risk policies.

Adjusted operating profit amounted to EUR 263 million (EUR 271 million in 2024). Depreciation and amortisation amounted to EUR 276 million, up from EUR 263 million in 2024, mainly due to the full contribution in 2025 of US assets (EUR 6 million)[9] and newly acquired and installed capacity (EUR 10 million), only partly offset by the end of the useful life of some wind farms in Italy and France (EUR 3 million).

The **adjusted profit attributable to owners of the parent** was EUR 155 million, down compared to 2024 (EUR 175 million), and reflects, in addition to what has already been commented on in relation to operating results, higher financial expense (EUR +22 million), primarily due to higher financial indebtedness and lower taxes amounting to EUR 14 million.

The **reported net profit of the Group** amounted to EUR 65 million, down compared to 2024 (EUR 187 million). The result includes the impairment loss on photovoltaic farms in Spain (EUR 46 million), following the impairment test procedure, the impairment loss on the wind power asset located in Sweden, in the process of being sold at the reporting date (EUR 26 million[10]), as well as the impairment loss on wind assets, subject to repowering (EUR 13.5 million) and photovoltaic assets, subject to revamping (EUR 3 million).

9 Consolidated from 1 April 2024.
10 Impairment loss recognised in application of IFRS 5 on the Swedish wind asset (62 MW), sold on 20 January 2026.

In 2025, **capital expenditure** totalled EUR 235 million (EUR 553 million in 2024 [11]) and refers mainly to capital expenditure **in property, plant and equipment and intangible assets** related to the acquisition of a wind farm in the United Kingdom (43 MW), the start of repowering activities on two wind farms in Italy (141 MW of new capacity), the construction of wind farms in the UK (47 MW), Germany (28 MW) and France (18 MW), repowering works in France (23 MW) and Germany (34 MW) and the implementation of the first storage project in Italy (12.5 MW).

The **net financial indebtedness before IFRS 16** totalled **EUR 1,882 million**, an increase (EUR +89 million) compared to 31 December 2024 (EUR 1,793 million). The change mainly reflects the effects of dividend distributions to shareholders (EUR 151 million[12]), capital expenditure during the year (EUR 235 million[13]), completion of the treasury share purchase programme (EUR 12 million), and tax payments (EUR 47 million), partly offset by positive operating cash flow for the year (EUR 414 million[14]).

Net financial indebtedness after IFRS 16 includes the liability (pursuant to IFRS 16) relating to the discounting of future lease payments, which amounted to EUR 237 million at 31 December 2025, up from EUR 229 million at 31 December 2024, due to the increase in installed capacity.

11 The comparative figure includes the impact of the acquisition of a portfolio of wind and solar farms in the United States (total 317 MW).
12 EUR 6 million of which to minorities.
13 The amount includes the effect of the acquisition in the United Kingdom in the first quarter of 2025, amounting to EUR 72 million.
14 Includes adjusted gross operating profit and the change in working capital.

REFERENCE MARKET

PRICE SCENARIO

	Year	
	2025	**2024**
Base load price scenario (EUR/MWh)		
Italy		
Single National Price (PUN)	116	109
Incentive tariff (GRIN) Italy	55	42
TTF	36	35
CO_2	74	65
Abroad		
France	61	58
Germany	89	78
Poland	111	107
of which Electricity	104	96
of which Certificates of Origin	6	11
Bulgaria	107	103
Romania	137	133
of which Electricity	108	104
of which Green Certificate	29	29
Northern Ireland	115	109
Great Britain	*94*	*85*
Spain	*65*	*63*
Sweden SE4	60	50
MISO-MidAm	33	22
MISO-Illinois	39	28

REGULATORY FRAMEWORK – INCENTIVES AND TARIFFS

INCENTIVES AND TARIFFS ITALY

Wind

- Plants that entered into operation before 2013: feed-in premium (FIP) equal to (180 EUR/MWh -P-1) x 0.78 where P-1 is the average annual value of the sale price of the electricity of the previous year. Duration of the incentive: 15 years
- Plants that entered into operation from 2013: FIP against a reference rate awarded through participation in Dutch auctions. With the Ministerial Decree of 4 July 2019, wind and PV compete together for the same capacity allocation under both the registers and the auction procedures, and the FIP takes the form of a "two-way CFD", granting the producer the difference between the tariff awarded in the auction and the market price where the latter is lower than the tariff (or paying back that difference to the regulator where market prices exceed the tariff). Duration of the incentive: 20 years. As of September 2023, the reference tariff values for auction procedures are subject to updating on the basis of the national consumer price index for the entire community (NIC), to take into account the cumulative average inflation from August 2019 until the month preceding the date of the auction, in application of Italian Decree Law no. 57/2023. The last auction pursuant to the Italian Ministerial Decree of 4 July 2019 was held in November 2024.
- The Ministerial Decree of 30 December 2024 introduced a new support mechanism for renewable energy plants (RES-X MD), providing for a single auction in 2025 with capacity quotas differentiated by technology. The incentive, regulated through a two-way CfD mechanism, is granted for 20 years on 95% of the plant's output (or on the basis of its expected generation, in specific cases such as production constraints requested by the grid operator).
- Plants undergoing full reconstruction (repowering) may participate in the auctions, competing directly with new plants without any tariff reduction. For capacity increases of less than 20%, a "gradation" coefficient D equal to 0.9 is applied to the incentive component (understood as the difference between the awarded tariff and the hourly zonal price). No reduction is applied where the capacity increase is equal to or greater than 20%.

Solar

- Incentives for photovoltaic systems are paid through a FIP tariff on the energy fed into the grid for a duration of 20 years.
- The feed-in tariff was introduced in Italy with the Interministerial Decrees of 28 July 2005 and of 6 February 2006 (1st Feed-in Premium) which provided for a financing system for electric power generation operating expenses.
- New measures were introduced with the Italian Ministerial Decree of 19 February 2007 (2nd Feed-in Premium) such as the application of the incentive tariff on all energy produced by the plant and differentiation of tariffs also based on the type of architectural integration and the size of the plant.
- In 2010, the 3rd Feed-in Premium came into effect with the Italian Ministerial Decree of 6 August 2010, applicable to plants in operation from 1 January 2011 to 31 May 2011, which introduced specific tariffs for integrated photovoltaic systems with innovative characteristics. Italian Law no. 129/2010 (so-called "salva Alcoa" law) then confirmed the 2010 tariffs of the 2nd Feed-in Premium for all plants able to certify the conclusion of works by 31 December 2010 and become operational by 30 June 2011.
- The Italian Ministerial Decree of 5 May 2011 (4th Feed-in Premium) defined the incentive mechanism relating to plants coming into operation after 31 May 2011 and introduced an annual cumulative cost limit for incentives, set at EUR 6 billion.
- The Italian Ministerial Decree of 5 July 2012 (5th Feed-in Premium) partly confirmed the provisions of Italian Ministerial Decree of 5 May 2011 and fixed the cumulative cost of incentives at EUR 6.7 billion. The incentive provisions of the Feed-in Premium were no longer applied after 6 July 2013 when the ceiling of EUR 6.7 billion was reached.
- The Italian Ministerial Decree of 17 October 2014 (so-called "Spalmaincentivi" decree) made it mandatory for producers to choose, by November 2014, a method for remodulating the incentive:
  - extension of the incentive period by a further 4 years with simultaneous reduction of the unit incentive by a value of between 17% and 25%, depending on the residual life of the right to incentives;
  - an initial period of incentive reduction followed by a subsequent period of increase thereof for an equivalent amount;
  - flat reduction applied for the remaining incentive period, variable between 6% and 8% depending on the size of the plant.
- The Italian Ministerial Decree of 4 July 2019 allows photovoltaic systems to access the incentives, for 20 years, through auctions and registries together with the wind power quota provided that:
  a. they are authorised;
  b. they use new components;
  c. they comply with the prohibition on installing ground-mounted modules in an agricultural area; this prohibition does not apply to agrivoltaic plants which, in compliance with the provisions of Article 65, paragraph 1-quater, of Italian Decree Law no. 1 of 24 January 2012, use innovative supplementary solutions that do not compromise the continuity of agricultural cultivation and pastoral activities. Access to incentives for agrivoltaic plants is also subject, in compliance with the provisions of Article 65, paragraph 1-quinquies, of Italian Decree Law no. 1 of 24 January 2012, to the simultaneous implementation of monitoring systems that make it possible to verify the impact on crops, water savings and agricultural productivity.
- the Ministerial Decree of 30 December 2024 introduced a new support mechanism for renewable energy plants (RES-X MD), providing for a single auction in 2025 with capacity quotas differentiated by technology. The incentive, regulated through a two-way CfD mechanism, is granted for 20 years on 95% of the plant's output (or on the basis of its expected generation, in specific cases such as production constraints requested by the grid operator).
- Refurbishments and full reconstructions may participate in the auctions, limited to the new section of the plant, without any tariff reduction. For capacity increases of less than 20%, a "gradation" coefficient D equal to 0.9 is applied to the incentive component (understood as the difference between the awarded tariff and the hourly zonal price), or equal to 0.95 in cases where the capacity increase is equal to or greater than 20%.

INCENTIVES AND TARIFFS ABROAD

Germany Wind	▪ Plants that entered into operation by July 2014: Feed-In Tariff (FIT) and, on an optional basis, FIP plus a management premium (EEG 2012). ▪ Plants that entered into operation from August 2014 to December 2016: FIP (EEG 2014). ▪ Plants authorised by the end of 2016 and in operation by 2018: a transition period is provided for, in which it is possible to continue to benefit from the tariffs set out in the EEG 2014 of declining value in relation to the actual new power installed during the year. ▪ Plants that entered into operation from 2017 onwards: FIP incentives allocated through Dutch auctions (EEG 2017, EEG 2021 and EEG 2023). The duration of the incentive is approximately 20 years. The value of the incentive is determined on the basis of a 1-way Contract for Difference (CfD) and the tariff awarded in the auction is adjusted according to the so-called "Referenzertrag" formula.
Germany Solar	▪ Systems that entered into operation from 2017 onwards: FIP incentives allocated through Dutch auctions (EEG 2017, EEG 2021, EEG 2023). Ground-mounted photovoltaic systems up to a capacity of 20 MW can access the auctions. This limit (already waived by the transitional provision for the 2023 financial year only up to 100 MW) was definitively amended up to 50 MW with SolarPackage 1 (published in the Federal Law Gazette of 15 May 2024) but is currently awaiting validation by the Commission European. ▪ The value of the incentive is determined on the basis of a one-way Contract for Difference (CfD) for around 20 years.
France Wind	▪ Plants that stipulated the application to purchase electricity generation by December 2015: a Feed-In Tariff (FIT) for 15 years, defined based on the year the application to purchase electricity generation was made and updated annually according to a formula tied to the index of hourly labour cost and to the index of the generation prices of industrial products. After 10 years of operation, it will be reduced for the subsequent 5 years of the incentive based on the wind farm's actual load factor if the annual number of hours of operation exceed 2,400. ▪ Plants that stipulated the application to purchase electricity generation in 2016: feed-in premium (FIP). The FIP is divided into several components: the incentive component (complément de rémunération), calculated as the difference between the current FIT and the average monthly price of energy weighted on the national wind power profile, plus a management premium to cover the costs for managing the sale of energy. ▪ New plants that do not fall into the above categories: recognition of incentives occurs through auction procedures (for the awarding of incentives with a duration of 20 years partially adjusted to inflation indices on an annual basis) or direct access in the case of plants with a capacity of less than 18 MW and wind turbines with a unit capacity of no more than 3 MW and meeting specific criteria.
France Solar	▪ A FIT system introduced in 2000 and from 2011 auctions for photovoltaic systems with a capacity of between 250 kW and 17 MW. ▪ From 2018, auctions for photovoltaic systems with a capacity exceeding 500 kW for the assignment of a two-way CfD with 20-year term, partially adjusted for inflation indices on an annual basis. Starting from 2026, the threshold for participation in auctions is lowered to 200kW.
Bulgaria Wind	▪ A feed-in tariff (FIT) in brackets based on hours of operation, which is constant in nominal terms. The duration of the incentive varies based on the date of entry into operation, and can be equal to 12 years or 15 years. From 1 January 2019, for existing plants with capacity of over 4 MW, the incentive scheme moved from a FIT structure to a FIP structure. The incentive is calculated as the difference between the value of the FIT, as previously recognised, and a Reference Price calculated on the estimate of the future price of electricity adjusted on the wind profile. From 1 October 2019, existing plants with capacity between 1 MW and 4 MW also moved to the FIP.
Poland Wind	▪ Plants in operation by July 2016: Certificates of Origin (CO). The Substitution Fee (the penalty applied in the event of non-compliance with the CO purchase obligation) is calculated on the basis of the weighted annual average of the prices of the CO recorded the previous year, plus 25%. ▪ From 2018 onwards, a multi-technology Dutch auction system was reintroduced, i.e. wind – photovoltaic. The quotas and the starting auction prices are defined by the Government. The incentive, which has a 15-year duration, is calculated as the difference between the awarded price, inflated on a yearly basis, and the average daily price of electricity (two-way CfD).

Romania Wind	▪ Green Certificates with a duration of 15 years with delayed assignment with respect to the underlying electricity output. Specifically: a. recovery period of the Green Certificates (GCs) held from 1 July 2013 to 31 March 2017 (it takes place at constant instalments through the years 2018-2025); b. the period of validity of the GCs, which is planned until 31 March 2032 (only GCs issued before 31 March 2017 maintain the validity of 12 months). ▪ The cap and the floor between which the price of the GCs may fluctuate were set respectively at 35 EUR/MWh and 29.4 EUR/MWh. ▪ From 2018 onwards, the mandatory quota for the electricity consumers shall be determined according to a pre-set fixed volume of GCs on the market and a maximum average expense on the end consumer.
Spain Solar	▪ *Regimen Especifico*, where the main element of revenue supplementation is the *"Retribución a la Inversión"* (Return on Investment), expressed in EUR/MW, calculated on an annual basis and paid for the entire duration of the incentive period of 30 years, based on the plant's capacity. An additional element of revenue supplementation is also envisaged, expressed in EUR/MWh, if necessary, to cover operating costs, the *"Retribucion a la Operacion" (Return on Operation).* ▪ From 2016: the introduction of the auction mechanism for the recognition of *"Retribución a la Inversión"* (Return on Investment), calculated on an annual basis and paid for the entire duration of the incentive period of 25 years, based on the plant's capacity and the winning bid. Discount offered on the standard value of the initial investment (EUR/MW), which represents the main remuneration parameter for calculation of the Return on Investment. ▪ From 2020, abandonment of the previous incentive system, based on a Return Asset Base system, in favour of the adoption of a system based on remuneration of the electricity produced. The incentive is calculated as the difference between the awarded price and the average daily price of electricity (two-way CfD). The remuneration period is not fixed but lasts for a period no less than 12 years and up to the attainment of the maximum volume of energy subject to incentives.
United States Wind Solar	▪ To promote the spread of renewable energy, a mechanism of Renewable Energy Certificates (RECs) is in place in the US. These can be issued to electricity producers for every megawatt-hour of electricity generated by RES and supplied to the grid. RECs are tradeable environmental securities, and can be sold either together with the electricity produced by the generator (bundled) or separately from the electricity (unbundled). ▪ Many States in the US have set renewable energy portfolio standards (RPS – Requirement Portfolio Standard) that electricity service providers are required to guarantee. To demonstrate compliance with the standards, electrical service providers use RECs, thereby generating demand for certificates. Within the MISO, RPSs are only applied in four States (Illinois, Minnesota, Indiana and Michigan), but RECs issued in Illinois can also be traded in the adjacent PJM electricity market, where States have set more demanding RPSs. ▪ Tax Equity Partnership (TEP): these agreements, typical of the US Renewable Energy market, are a form of project incentive that uses a combination of cash flows generated by the Project and tax benefits. The structures of Tax Equity agreements can vary, but generally, in return for an investment made by the so-called Tax Equity Partner (Partner) upon the completion of plant construction, the investment return primarily comes through the allocation of tax credits (Investment Tax Credit, ITC, or Production Tax Credit, PTC). The Mulligan Solar, LLC solar project benefited from an ITC, already finalised by its nature before closing, while the Great Pathfinder Wind, LLC wind project benefits from PTC incentives, extended over time.

RELEVANT LEGISLATIVE AND INSTITUTIONAL UPDATES DURING THE YEAR

EUROPEAN UNION

- **European targets for 2040**
  The European Commission has presented its proposal for the new 2040 climate target, setting a 90% reduction in net greenhouse gas emissions, to be implemented through amendments to the European Climate Law. The package forms part of the post-2030 framework and is consistent with CISAF and the Competitiveness Compass. The proposal introduces a more flexible approach compared with the 2030 target of -55%, providing for cross-sector flexibility mechanisms to ensure a transition that is economically efficient and socially fair. Incentives are also envisaged to develop a robust CO_2 removals market, aimed at offsetting residual emissions in the hardest-to-abate sectors, together with a revision of the ETS and the LULUCF Regulation. From 2036, high-quality international credits may be used. The proposal is now under consideration by the Parliament and the Council.

- **Clean Industrial Deal and Affordable Energy Action Plan**
  The European Commission has presented the Clean Industrial Deal (CID), an operational plan aimed at supporting the competitiveness and resilience of European industry, accelerating the decarbonisation process while simultaneously ensuring a secure future for the manufacturing sector. Among its various pillars, the plan also includes targeted actions to ensure the supply of affordable renewable energy. Measures announced include a pilot programme to incentivise the signing of PPAs, guaranteed by the European Investment Bank (EIB); the publication of new State aid guidelines; and a package to implement and strengthen European energy grids, with a particular focus on cross-border networks. Key objectives include achieving a 32% electrification rate by 2030 (compared with the current 23%), the installation of 100 GW of renewables by the same date, and a reduction in electricity taxation.

- **CISAF - Guidelines on State Aid**
  The European Commission has adopted a new framework for State aid in support of the Clean Industrial Deal, known as CISAF (Climate, Energy and Environmental State Aid Framework), with the aim of promoting the development of clean energy, industrial decarbonisation, and green technologies in Member States. CISAF sets out the conditions under which Member States may grant aid compatible with EU competition rules, thus enabling support for strategic investments for industrial transition. The new framework aims to facilitate the rapid approval of aid by the Commission, through instruments such as contracts for difference (CfDs), designated as the sole valid form of support for renewables in order to accelerate their deployment. The new instrument will remain in force until 31 December 2030.

- **Phase-out of Russian gas**
  The European Parliament and the Council have reached a historic agreement on phasing out Russian gas, while providing for a transitional period. Specifically, for short-term contracts, the final deadline for gas transported by land will expire in June 2026, while for LNG it is set for April 2026. For long-term supply contracts, these deadlines are postponed to January 2027 for LNG and to September 2027 for pipeline gas. However, if gas storage filling targets are not met by early November 2027, derogations are envisaged. In addition to strengthening the Commission's supervisory powers, the Regulation requires Member States to adopt national plans to diversify their gas supplies.

- **Net Zero Industry Act**
  The European Commission has published four secondary legislative acts under the framework of the Net Zero Industry Act (NZIA). Such acts are intended to make European industry more resilient, competitive, and decarbonised. Measures adopted include the introduction of so-called "non-price criteria" for auctions supporting the development of new RES installations: from December 2025, this measure will apply to at least 30% of the auction volume (or 6 GW per year). The Commission has also compiled a list of end products from net-zero technologies and related components that are subject to potential dependencies on third countries, for which the "resilience" criterion must be applied. Finally, the NZIA allows net-zero technology manufacturing products to apply for designation as a "strategic project".

- **Grid Package**
  At the end of the year, the Commission published the long-awaited package containing various strategic measures aimed at modernising and expanding European grids in line with the climate commitments undertaken. Among the most significant elements is the simplification of permitting procedures for renewable plants, repowering, BESS and grids. In particular, the principle of Overriding Public Interest established under RED III is extended to grids as well. Furthermore, the Grid Package prohibits the designation of large areas as unsuitable for renewable energy. The publication of the guidelines on two-way CfDs, and their integration with PPAs, was equally anticipated. This is a non-binding document intended to promote best practices relating to public support mechanisms. In particular, the Commission highlights the need to adapt incentive schemes to the needs of the electricity system. To this end, the guidelines invite Member States to favour production-independent mechanisms rather than production-based ones.

- **Carbon Border Adjustment Mechanism (CBAM)**
  As part of the Omnibus package, the Council adopted an amending Regulation to the CBAM, which will enter into force on 1 January 2026. The amendments primarily concern procedural aspects and are intended to reduce compliance costs and enhance regulatory clarity, particularly for the benefit of SMEs. In particular, a de minimis threshold has been introduced, excluding imports of up to 50 tonnes per year from the scope of the CBAM. Further simplifications to data collection procedures are also envisaged.

- **Common Understanding Policy Paper between the EU and the UK**
  On 19 May, a cooperation agreement was reached between the EU and the UK on energy and energy security, maintaining decarbonisation goals as a priority. Specifically, the agreement provides for the possibility of exploring the terms of UK participation in the EU internal electricity market. It also foresees linking the UK Emissions Trading Scheme (ETS) to the European version. This agreement will help reduce barriers to economic growth and support lower energy prices.

ITALY

- **ARERA - resolution no. 128/2025 on the limitations of RES plants**
  As of 1 April 2025, ARERA has extended the "Missed Wind Output" mechanism to all non-programmable renewable energy plants, regardless of plant size. This also allows PV plants to receive compensation when they are limited by Terna. The GSE will be responsible for establishing the methodology for calculating producible energy, required to determine compensation. Compensation will now be calculated based on 15-minute intervals (previously based on hourly intervals). The Reliability Index (Indice di Affidabilità - IA) has been eliminated for RES sources other than wind. .

- **Italian Decree Law no. 21 of 20 February 2026 [so-called Energy/Bills Decree Law]**
  The Italian Decree-Law no. 21/2026, presented as a measure aimed at supporting households and businesses in reducing energy costs, introduces provisions that will have significant effects on the energy sector and on market operators.
  The decree provides for an increase in IRAP for the energy sector: from the tax period following 31 December 2025, the rate is increased by two percentage points, covering activities relating to the generation, transmission and distribution of electricity.
  The decree assigns to ARERA the task of defining a reimbursement mechanism in favour of thermoelectric producers, limited to gas used for electricity generation fed into the grid, to cover costs related to ETS compliance and gas transport. ARERA will also assess opportunistic conduct on the wholesale electricity market pursuant to REMIT. The provision stipulates that the ETS cost reimbursement mechanism must be authorised in advance by the European Commission.
  The decree introduces a liquidity service managed by ARERA, with the aim of reducing the TTF-PSV spread.
  For photovoltaic plants with a capacity exceeding 20 kW benefiting from the Conto Energia schemes (I–IV), a voluntary option is introduced to adhere to an "incentive spread" mechanism for schemes expiring from 2029 onwards, together with the possibility of termination by 30 September 2026.
  In addition, the decree introduces a reform of grid connections, providing for the abandonment of the first-come, first-served approach in favour of a more transparent and non-discriminatory mechanism, promoting projects with a higher likelihood of completion, as well as shorter timelines for the permitting process. Upon the entry into force of the new ARERA rules, connection offers granted to plants not authorised or not validated by the grid operator will lapse. Operators may participate in the new procedures ("open season") without losing preparatory activities not related to the connection solution, and pending procedures will resume from the submission of the new connection solution.
  Through the decree, the GME PPA noticeboard is expanded to facilitate the long-term contracting of renewable energy with a public last-resort guarantee, including incentive premiums for formerly subsidised plants selected by Acquirente Unico.

- **Italian Decree Law no. 19 of 28 February 2025 (so-called Bills Decree Law)**
  With a funding allocation of EUR 3 billion, this decree aims to reduce the impact of high energy bills for vulnerable customers, SMEs and energy-intensive users. Notable changes include the removal of penalties for repowering projects that had not adhered to the so-called "incentive allocation" scheme. Furthermore, amendments have been introduced to the authorisation procedures for repowering projects. Among these changes, it is noteworthy that an Environmental Impact Assessment (EIA) is no longer required if the power increase is less than 30 MW and the plant is built within the same perimeter as the previous plant.
  Finally, the Decree establishes a two-way Contract for Difference (CfD) mechanism with a five-year duration for plants that have reached the end of their incentive period; however, implementation details remain to be defined.

- **Regulatory developments on "Suitable Areas":**
  On 15 May 2025, the Regional Administrative Court of Lazio (TAR Lazio) ruled on the Ministerial Decree on Suitable Areas, annulling the provisions that allowed — rather than required — the Regions to recognise as suitable those areas identified under Article 20 of Italian Legislative Decree no. 199/2021. According to the Court, the text does not provide sufficient and binding guidance for the Regions, leaving too much room for varied interpretations and thereby undermining uniform implementation across the national territory.
  Among the provisions annulled, the TAR particularly struck down the article that left the Regions with the discretion (rather than the obligation) to confirm areas already designated as suitable at national level. The TAR also clarified that areas considered "unsuitable" should not be viewed as automatically prohibited: projects must still be assessed on a case-by-case basis. The government intervened by approving the Energy Decree Law in November. This legislation requires the Regions to designate suitable areas by means of regional law, without the possibility of introducing criteria more restrictive than those laid down by national legislation. The buffer zone around industrial complexes has been reduced from 500 to 350 metres; existing renewable plants do not fall within that definition. A definition of agrivoltaic plant has also been introduced, to which the restrictions applicable to ground-mounted PV installations on agricultural land do not apply. A safeguard clause has been confirmed for plants in respect of which a declaration of admissibility had already been obtained.

- **Amendments to the Consolidated Renewable Energy Act (TU FER)**
  With Italian Legislative Decree no. 178/2025, the Government intervened to amend certain procedural aspects of the Consolidated Renewable Energy Act (Italian Legislative Decree no. 190/2024). In particular, several definitions have been revised, including that of "essential infrastructure"; the duration of certain administrative procedures — including the Single Authorisation — has been reduced; and a single contact point has been established at municipal level. The removal of the municipalities' power to appeal to the Presidency of the Council of Ministers to block projects that have already been authorised is a positive development. Measures relating to territorial compensation have also been amended. It is worth noting that, for repowering projects, the Simplified Authorisation Procedure (PAS) may be used where the new plant occupies an area covering less than 20% of the land previously affected by the existing installation, regardless of any increase in installed capacity.

- **Italian Decree Law on catastrophic insurance policies**
  From 31 March 2025, all companies registered in the Italian Companies Register are required to take out insurance policies covering direct damage caused by natural catastrophic events. For large companies (with more than 250 employees), the obligation begins on the same date but includes a 90-day transition period, until 30 June 2025, during which they will still be eligible for public incentives and contributions.
  Policies must be issued by authorised entities and comply with the requirements set out in Italian Ministerial Decree no. 18/2025, covering all company assets exposed to risk – such as buildings, plants, machinery and inventories – from natural events including earthquakes, floods, landslides, volcanic eruptions, and other disasters recognised by the competent authorities.

- **Transitional RES-X Ministerial Decree**
  The Ministry for the Environment and Energy Security (MASE) published the ministerial decree setting out the eligibility criteria and operational mechanisms of the Transitional RES-X scheme, under which a single auction was held in September 2025. The decree provided for a competitive downward auction with dedicated capacity quotas (solar PV and onshore wind) for a total capacity of 10 GW. In December, the auction results were published, showing a high level of competitiveness among operators. With regard to photovoltaic technology, against an available capacity of 8 GW, 7.7 GW were awarded at a weighted average price of 56.825 EUR/MWh. By contrast, contracted wind capacity amounted to 940 MW, out of an available 2.5 GW. The weighted average price of the successful wind projects was 72.851 EUR/MWh. The failure to fully allocate the target quotas was largely linked to the dynamic quota mechanism, which — in order to foster competition — reduced the assignable capacity as the bid price increased. The ERG Group was awarded the repowering projects relating to Carlentini, Montaguto and Greci at a price of 74.9 EUR/MWh. It is noteworthy that approximately half of the wind capacity awarded concerns repowering projects, confirming the soundness of the industrial strategy adopted by the ERG Group.

- **RES NZIA Auctions**
  In September, the update to the Operational Rules of the Transitional RES-X Decree was published, introducing specific provisions for NZIA auctions reserved for photovoltaic plants with an installed capacity exceeding 1 MW. In line with the European NZIA Regulation, non-price criteria aimed at rewarding resilience were defined. In particular, the Italian rules provide that at least one of the following components — modules, cells or inverters — must not be manufactured or assembled in China or by a company attributable to Chinese ownership.

- **Energy Release 2.0**
  In November, the operational rules for the implementation of Energy Release were published. This support measure aims to grant energy-intensive consumers electricity at a capped price (65 EUR/MWh) for three years, in exchange for a commitment to support the development of new renewable plants with a total capacity equal to twice the volume of energy advanced. In July, the measure received clearance from the European Commission, which, through a Comfort Letter, introduced a competitive downward auction for the subscription of 20-year two-way CfDs with the GSE. The operational rules specify that, once the twenty-year repayment period has ended, any residual benefit must be repaid either through the extension of contractual obligations for up to a further twenty years, the settlement of the outstanding advantage, or the transfer of the assets to the GSE.

- **MACSE (Centralised Allocation Mechanism for Energy Sustainability)**
  On 30 September 2025, the first auction under the MACSE scheme was held, the new support instrument devised by Terna to foster the development of BESS in Italy. Through this measure, the TSO aims to secure a high level of flexibility to address the challenges arising from the energy transition. The capacity put out to tender amounted to 10 GWh, allocated across the Centre-South, South and Islands market zones. Although further auctions are envisaged in the coming years, no schedule has yet been published. Despite a cap price set at 37,000 EUR/MWh/year, the weighted average awarded price was 12,959 EUR/MWh/year. The auction was heavily oversubscribed, with bids exceeding more than four times the capacity requested by Terna. Most of the capacity was awarded to ENEL and ENI.

- **TERNA grid development plan**
  The plan aims to set priorities for key infrastructure projects for the Italian electricity grid over the 2025–2034 period. The plan identifies priority projects to optimise grid operation while promoting investment in RES and BESS. With an estimated budget of EUR 23 million, the plan is intended to strengthen the national grid, making it more sustainable, independent, and efficient. From 2030, the interventions are expected to increase inter-zonal transfer capacity by 7 GW. As for cross-border interconnections, the plan foresees a 40% increase.

GERMANY

- **Energy Industry Act & Renewable Energy Sources Act**
  The German Parliament has adopted measures to amend the Energy Industry Act (EnWG) and the Renewable Energy Sources Act (EEG), which will come into force on 1 March 2025. Specifically, the amendments stipulate that new PV plants will no longer receive EEG incentives for electricity fed into the grid during periods of negative prices. To offset the losses caused by this measure, the compensation period has been extended to 20 years. Regarding onshore wind power, the reforms aim to rationalise available land to support development: each municipality will be able to define suitable areas according to local needs. In all German Länder, however, designated areas for onshore wind remain below the 2% target.

- **Implementation of RED III**
  The German Parliament approved the law implementing RED III. The legislation streamlines the permitting process for renewable energy plants: applications may be submitted to a single authority and, from November onwards, the process will be fully digitalised. "Acceleration areas" are introduced for onshore wind, where turbines and storage facilities may be co-located and authorised more swiftly. The approval of projects outside these areas will in any case be subject to defined timelines, ranging from one month to two years. The law also provides for simplified procedures for repowering, including the expedited involvement of military and aviation authorities.

- **Simplification for BESS**
  The German Federal Parliament has approved an amendment to the Building Code as part of an omnibus package which, inter alia, addresses grid connections and the digitalisation of permitting procedures. With regard to BESS with a capacity exceeding 1 MW, the amendment introduces a simplified permitting procedure (to be completed within three months), classifying them as being in the public interest. At the same time, Parliament has repealed the provision that imposed double taxation on BESS when charging from and discharging to the grid. At the same time, Parliament has repealed the provision that imposed double tariff charges on BESS during both the withdrawal of electricity from, and the injection of electricity into, the grid, thereby improving their economic efficiency.

- **State aid in support of German industry**
  The government has approved a package of measures aimed at reducing electricity bills for industrial and agricultural consumers, through the introduction of new State subsidies amounting to EUR 6.5 billion for 2026 and EUR 26 billion in total over the following four years. According to estimates, network tariffs will decrease on average by more than 50%, falling from 66.50 EUR/MWh to 28.60 EUR/MWh. The measures pursue a twofold objective: on the one hand, to support the competitiveness of the German industrial system; on the other, to promote the electrification of industrial consumption.

- **Electricity taxation**
  The Bundesrat has approved a series of amendments to the Electricity Act, in force since 23 December 2025, with the aim of reducing administrative burdens and simplifying the tax treatment of photovoltaic systems, storage facilities and charging infrastructure, while maintaining subsidies for industry, agriculture and forestry at the minimum levels permitted under EU law. The new rules formally recognise storage as a flexibility asset, avoiding the double taxation of electricity injected into and withdrawn from the grid and improving the bankability of hybrid projects. Batteries and RES operators are also partially exempt from the obligations typically imposed on suppliers, while PV plants below 2 MW are no longer classified as "suppliers". A uniform definition of "plant" is introduced and multi-site aggregation is abolished. With regard to electric mobility, the taxable person becomes the charging point operator, with an exemption for bidirectional charging where the electricity remains on site. Finally, the list of exempt renewable technologies has been revised, with biomass, biogas from effluents and landfill gas no longer included.

- **Support mechanism for synthetic inertia**
  Germany is the first European country to introduce a market mechanism to remunerate the provision of synthetic inertia by grid-forming inverter-based plants, such as BESS, which are becoming necessary in light of the increasing penetration of renewable energy sources. German transmission system operators have launched the first market-based procurement mechanism for instantaneous reserve, a tool required to ensure the long-term stability of the electricity system. Demand for this type of reserve is growing rapidly due to structural changes in the power generation mix and the rising volumes of cross-border exchanges. With the progressive phase-out of conventional power plants, provision will increasingly have to come from converter-based resources, such as BESS, wind and photovoltaic. Procurement volumes are derived from the 2025 System Stability Report, while the regulatory framework was defined by the Federal Network Agency in April 2025. The new scheme, active from 22 January 2026 to 31 December 2031, provides for fixed-price remuneration for reserve availability, with contracts ranging from two to ten years. The initiative of the German TSOs represents a first European benchmark in the procurement of instantaneous reserve.

FRANCE

- **PPE3 – Multi-year Energy Programme**
  The French Government has published Decree no. 2026-76 of 12 February 2026 concerning the new energy planning framework. While less ambitious on renewables than the draft circulated in March 2025, it maintains the expected capacity targets and the CfD auction timetable. In particular, two annual auctions of 925 MW each remain scheduled for onshore wind, together with 1 GW auctions for photovoltaic. The 2030 wind target has been slightly revised downwards from 33 to 31 GW, as has photovoltaic, from 54 to 48 GW. At the same time, the anticipated hybrid market model for the BESS sector is taking shape: on the one hand, RTE centralises the monitoring of flexibility solution development, issuing annual recommendations; on the other, the Government integrates storage systems into existing markets — including the spot market, ancillary services through dedicated Enedis/RTE auctions, and the updated capacity market.

- **2025 Finance Law**
  The Finance Law, Law no. 851 was approved at the beginning of February despite significant French political fragmentation. The law sets the preliminary framework for energy pricing from nuclear production post-2025, including measures related to negative pricing. Electricity from nuclear sources will be sold on the market and taxed above a certain revenue threshold. Clarifications are awaited on production curtailment requests and the mechanism for negative pricing. Under the law, EDF and local distribution companies with purchasing obligations can request producers to reduce or suspend generation in order to limit public subsidy costs, with compensation foreseen. On the other hand, the law clarifies how negative market prices affect the payment of premiums and under what circumstances producers are required to suspend generation.

- **2026 Finance Law**
  The Loi de finances for 2026, published on 20 February, contains significant measures for renewable energy plants, including amendments to the IFER tax applicable to photovoltaic and wind. Article 183 also introduces a new mechanism for the removal of caps on negative premiums: all post-2022 contracts providing for a complément de rémunération and a maximum cap on amounts due in the event of negative monthly premiums will be amended with retroactive effect from 1 January 2022 to 31 December 2050. The CRE will issue an opinion setting out the market price scenarios underlying the annual threshold prices, specific to each technology. Subsequently, the Ministries for Energy and for the Budget will adopt a decree establishing the final values. Any repayments relating to the years 2022–2025 may be determined once the consultation has been completed and the threshold prices have been defined by the competent regulatory authority.

- **Compensation for negative price hours – subsidised plants**
  In September, the Ministry published a new decree aimed at ensuring that producers benefiting from the Complément de Rémunération mechanism receive compensation also during negative price hours, provided that they undertake to adjust their production to the needs of the electricity system by suspending injection into the grid during periods characterised by negative prices. In order to preserve an adequate level of operational flexibility, the government introduced a buffer zone down to −0.10 EUR/MWh, within which plants may continue to generate. Below that threshold, in order to benefit from compensation, plants are required to cease feeding electricity into the grid. A five-minute window before and after the negative price event is also provided for, aimed at ensuring greater operational flexibility. As regards plants supported under the Obligation d'Achat scheme, participation in the balancing market is now permitted.

- **New decree on onshore wind farms near military sites**
  The decree sets out more transparent constraints and restrictions for the construction of onshore wind farms in the vicinity of military installations. In particular, construction is prohibited within a 5 km radius of military installations. Between 5 and 15 km, a mandatory assessment by the Ministry of Defence is required. In the event of opposition, the Ministry of the Armed Forces is now required to provide reasons for its refusal. Beyond 15 km, installations are presumed not to have adverse effects on military interests. Beyond 70 km, installations with a height of less than 200 metres are deemed compatible. The decree does not provide specific guidance on repowering projects. While reducing the discretionary powers previously attributed to the Ministry of Defence, the measure maintains its right of veto in certain specific cases.

- **TURPE update and new rules for electrochemical storage**
  The new version of TURPE 7 introduces a transitional and optional tariff specifically for electrochemical storage systems (BESS), with the aim of encouraging operation more closely aligned with grid needs. Applicable from 1 August 2026, the tariff may be voluntarily selected by operators, who must however retain it for at least 12 months. Through this measure,

the CRE intends to shift from a "market-driven" model to a "grid-driven" one, initially available only in certain network areas characterised by more predictable peaks. The decision introduces a differentiated pricing mechanism based on local consumption and renewable generation, allowing BESS — for the first time — to access optional and geolocated tariffs, which may even be negative during peak hours in areas with high renewable penetration. The objective is to properly value the services provided by batteries, rather than merely penalising them through access charges. The CRE plans to extend this instrument to the whole of mainland France under TURPE 8.

- **Law no. 2025-127**
  The new decree, in force since 25 December 2025, authorises EDF OA to request that producers reduce or halt generation during periods of negative prices. The measure applies to onshore wind and ground-mounted photovoltaic plants with a capacity of 10 MW or more, and to rooftop PV installations exceeding 12 MW. Requests for curtailment must be communicated on a D-1 basis: until 31 December 2027, at least 30 minutes before the time of grid access (i.e. by 16:30 on the preceding day), while from 2028 the notice period will increase to two hours. Producers receive monthly compensation, calculated as if EDF OA had purchased the estimated output during the periods in which they complied: equal to 25% of the tariff for wind and 47% for photovoltaic.

- **Introduction of a centralised capacity market**
  In January 2026, the European Commission approved the French capacity market mechanism under the State Aid framework. The new mechanism will focus on ensuring winter energy supply, starting from winter 2026/27. RTE will procure capacity in a centralised manner, with the objective of promoting new capacity at minimum cost, through intermediate price caps for existing capacity and volume caps for the allocation of multi-year contracts. The new mechanism will remain in force for ten years, in accordance with the scheme approved by the Commission, subject to any future amendments. Dedicated quotas are also envisaged for batteries and demand response.

UK

- **REMA - Decision to maintain the single national price**
  Under the REMA programme, the government had been considering two general approaches to wholesale electricity market reform: the introduction of zonal pricing, which would divide the market into several national zones; or the retention of a single national price alongside substantial reforms and more coordinated system planning.
  The government has decided to maintain a wholesale electricity market with a single national price across Great Britain, thereby excluding zonal pricing. Instead, it will implement an ambitious reform of the national model via a coherent package of measures aimed at enhancing the current system's effectiveness. The reforms aim to improve strategic coordination, provide clearer signals for efficient allocation of plants, and increase overall operational efficiency, while offering greater stability and certainty for investors.

- **Industrial strategy to support energy-intensive users**
  The government has published a new Industrial Strategy outlining a ten-year plan to stimulate investment by addressing two key barriers to industrial development: the high cost of electricity and lengthy grid connection times. From 2027, the British Industrial Competitiveness Scheme will be introduced to reduce electricity costs by up to 40 GBP/MWh for over 7,000 energy-intensive manufacturing companies. At the same time, support for the most energy-intensive industries – such as steel, chemicals, and glass – will be enhanced by increasing the network cost discount from 60% to 90% through the British Industry Supercharger programme. To ease access to the grid for strategic industrial projects, a new service, the Connections Accelerator, will be launched to speed up connections, prioritising initiatives that generate quality employment and significant economic benefits.
  In parallel with the Industrial Strategy, the government has also published the Clean Energy Industries Sector Plan, aiming to double annual investment in clean energy industries to over GBP 30 billion, in line with the European Clean Industrial Deal.

- **TNUoS tariffs for 2025/26**
  The electricity system operator in Great Britain, NESO, has published the final TNUoS (Transmission Network Use of System) tariffs for the tariff year 2025/26, which will begin on 1 April 2025 and end on 31 March 2026. As no changes were approved to the calculation methodology with respect to the preliminary tariffs, no further changes have been incorporated into the final tariffs. The total recoverable revenue amounts to GBP 5.1 billion, down by GBP 416.39 million compared to the preliminary estimate but up by GBP 898.47 million compared to 2024/25 levels. For energy producers, the expected recoverable revenue amounts to GBP 1.13 billion for 2025/26, a reduction of GBP 33.4 million from the initial forecast, largely due to decreased revenue from offshore local tariffs.
  Moreover, in October the UK regulatory authority (Ofgem) rejected the proposal to introduce a cap and floor mechanism on TNUoS charges, considering that such a measure could have a negative impact on competition due to the potential for unforeseen gains and losses for generators.

- **New Revision of the GB Pricing Methodology approved** by Ofgem
  The United Kingdom has launched the three-year review of the "GB Pricing Methodology", which introduces derogations from Article 6 of EU Regulation 2019/943, retained in domestic legislation following Brexit. In 2025, the TSO NESO published a proposal to update the methodology, which was subsequently approved by Ofgem on 20 May. The new framework defines when marginal pricing (pay-as-cleared) should apply to the valuation of balancing energy and in which cases alternative methods should instead be used, adopting an approach tailored to the British market. The updated methodology governs the pricing of balancing services relating to FCR, mFRR and RR, excluding those intended to be phased out. Appendix B of version 2.0 specifies, for each product, whether pricing follows a pay-as-cleared or pay-as-bid approach. As regards the Balancing Mechanism, which remains pay-as-bid, NESO envisages a structural review as part of the broader REMA programme.

- **Update to the Grid Code to improve battery integration**
  Modification GC0166 to the Grid Code, published by Ofgem on 22 October, introduces new parameters aimed at improving the integration of battery energy storage systems (BESS) into the Balancing Mechanism. The reform is linked to modification P499 of the Balancing & Settlement Code, approved by the BSC Panel, and introduces three key new elements: the Maximum Delivery Offer (MDO), the Maximum Delivery Bid (MDB) and the Future State of Energy (FSoE). These dynamic parameters enable a more accurate representation of the actual capacity of Electricity Storage Modules, increasing visibility over their state of charge and promoting more frequent use within the dispatch order, thereby reducing skip rates. The objective is to establish a structural solution for communicating the State of Charge (SoC) between batteries and the TSO control room. Go-live is scheduled for 5 November 2025, while implementation of P499 will take place on 25 June 2026.

- **Financing of the renewable support mechanism through the public budget**
  The UK Government has decided to partially fund the Renewable Obligation (RO) mechanism for a period of three years, shifting a significant portion of the costs from household electricity bills to the public budget, alongside a change in indexation from RPI to CPI starting from fiscal year 2026–27. From 2026 to 2029, the State will reimburse suppliers for 75% of the domestic share of the RO scheme, at an estimated cost of approximately GBP 2.3 billion per year. The measure is expected to deliver average savings of around 8% on household electricity bills, although the intervention is limited to the specified three-year period. Introduced as the United Kingdom's first renewable support scheme, the RO is financed through environmental levies which, together with charges funding CfDs, the Capacity Market and the RAB model for Sizewell C, are projected to rise sharply to nearly GBP 19 billion by 2030.

SPAIN

- **Changes to voltage control regulation**
  Following the blackout on 28 April, the CNMC, Spain's competition and markets authority, approved the resolution to develop a voltage control service within the mainland electricity system, effective from 27 June. The new framework classifies voltage control as a structured, remunerated, and penalty-regulated service, with the aim of establishing new local markets capable of contracting capacity on a regional basis. Operational Procedure 7.4 defines the technical standard that will also allow renewable sources to contribute to voltage control. The basic requirements remain similar to current ones, requiring generators to maintain the ability to generate or absorb reactive power at the plant busbar level. There is also a provision for real-time setpoint throughput sent by the grid operator, reserved for installations ≥5 MW connected to the transmission grid, on a voluntary basis. In addition, in October the CNMC approved urgent and temporary amendments to the Spanish electricity grid operational procedures, proposed by the TSO, concerning voltage control. These measures introduce stricter obligations for generators, aimed at compensating for upward reserve shortfalls and strengthening data collection requirements.

- **Public funding to support storage**
  In May, the Ministry for the Ecological Transition launched a funding programme to support battery development in Spain. The project aims to create facilities with a minimum capacity of 1 MW, either standalone or hybrid, to be located primarily in less developed Autonomous Communities and municipalities (Andalusia, Castilla-La Mancha, Ceuta, Extremadura, and Melilla).

- **Amendments to the Régimen Específico in support of hybridisation**
  The Ministry has amended the Régimen Específico (RECORE) by revising certain key parameters for the calculation of equivalent operating hours, now including hours subject to curtailment due to technical constraints or characterised by negative prices, provided that such conditions persist for at least six consecutive hours. The new provisions allow the integration of storage systems with existing plants already benefiting from incentives. As a result, hybrid projects (RES + BESS) may also access compensation mechanisms. The measure is favourable, as it contributes to enhancing the overall flexibility of the Spanish electricity system.

- **New support measures for RES and BESS**
  Following the blackout that affected Spain in April, the Ministry for the Ecological Transition adopted a specific Royal Decree aimed at promoting the development of renewables and BESS, particularly in hybrid configurations. At the same time, the Government seeks to encourage the electrification of consumption — with particular focus on industrial demand — by providing for the simplification of grid connection procedures. In addition, the Ministry has undertaken to publish, within nine months, a national roadmap to support repowering projects, setting out specific targets, financing instruments and regulatory procedures.

- **New framework for grid connections**
  The new regulation sets out the methodology and conditions for access to and connection with the transmission and distribution networks for electricity demand facilities, including storage installations, whether new or modified. Access capacity is determined on the basis of three technical criteria — robustness, static network behaviour and dynamic stability — applied at both nodal and zonal level. For conventional demand, access capacity is firm and guarantees the right to continuous supply. For storage operating in consumption mode, however, capacity is classified as flexible and may be subject to real-time limitations by the grid operator. The regulation also introduces specific power limits by voltage level and system, and allows the use of probabilistic criteria. REE will publish monthly capacity maps starting from 2 February 2026, from which date the new methodology will apply to access requests.

EASTERN EUROPE

- **Romania: Extension of the revenue cap mechanism for producers and operators in the electricity market**
  The revenue cap mechanism for producers and operators in the electricity and gas markets has been extended from 1 April to 30 June 2025. It applies to producers, traders, aggregators, and hedging contract counterparties, excluding plants commissioned after 1 April 2025 and combined heat and power suppliers. The system requires the collection of 80% of excess revenues, calculated against a fixed reference price of 400 RON/MWh. Revenues from the balancing market remain excluded, while certain deductible costs are allowed, such as imbalance charges (up to 10% for wind) and financial hedges.

- **Romania: abolition of double taxation for storage systems**
  ANRE has approved new Methodological Rules abolishing the double taxation of electricity injected into the grid by storage systems, introducing significant exemptions to support the deployment of storage in Romania. The measure exempts electricity previously stored and subsequently re-injected into the grid from transmission, distribution and system service charges, and removes the obligation to purchase green certificates for such volumes. Network tariffs remain payable, however, for electricity self-consumed by the storage systems themselves, including technological losses. The regulation also introduces a unified procedure applicable to both concessionary and non-concessionary operators, and aligns with ACER recommendations on differentiated tariff treatment and incentives for flexibility.

- **Bulgaria: 2025 Finance Law**
  The extension of the revenue cap for electricity producers to 2025 in Bulgaria, included in the 2025 state budget, has been formally extended until December 2025. Plants with premium contracts starting from 8 October 2022 and zero-premium contracts are subject to an additional contribution equal to 90% of the difference between the market price and the former FiT. No changes apply to existing ERG plants.

- **Poland: Additional Capacity Market auctions**
  In February, a regulation was adopted allowing supplementary auctions (for delivery in 2029) if the TSO identifies generation adequacy concerns. These auctions were held in the second half of 2025. This is particularly important given that the support mechanism for coal-fired power plants expires in 2028, making it necessary to increase new contracted capacity in order to ensure the stability of the system. An amendment to the de-rating factors has been implemented to favour coal-fired plants over batteries, which had previously secured large shares of the available capacity.

- **Poland: reform of grid connections**
  The reform, in force since August, aims to make the connection process more efficient and transparent. An accelerated parallel procedure is envisaged for minor technical modifications. In the case of minor errors made during the application phase, corrections may be submitted within 14 days of notification, without affecting the timelines established for the original assessment. In addition, a new option has been introduced allowing applicants to request connection conditions for installations with a lower capacity than initially planned, depending on availability in the relevant area.

UNITED STATES

Approval of One Big Beautiful Bill Act
Congress has approved the new budget law proposed by the Trump administration, introducing significant changes to the renewable energy incentives provided under the Inflation Reduction Act (IRA) adopted during the Biden administration. The legislation establishes that, in order to qualify for IRA incentives, projects must enter into service by the end of 2027. At the same time, new taxes are introduced on photovoltaic and wind projects, while the previously available investment and production tax credits are abolished, with the exception of battery energy storage systems (BESS). The law also provides for an additional tax for wind and photovoltaic projects completed after 2027 if built using components manufactured in China.

PERFORMANCE BY COUNTRY

(EUR million)	2025	2024	Δ
	Year		
Adjusted revenue			
Italy	**409**	**418**	**(9)**
Abroad	**343**	**319**	**24**
France	111	100	*11*
Germany	45	55	*(10)*
UK & Nordics	70	54	*17*
Spain	18	24	*(6)*
East Europe	67	68	*(0)*
United States	31	18	*13*
Corporate	***40***	**39**	***1***
Intra-segment revenue	***(40)***	***(37)***	***(2)***
Total adjusted revenue	**752**	**738**	**14**
Adjusted gross operating profit			
Italy	**326**	**339**	**(13)**
Abroad	**231**	**216**	**14**
France	65	51	*14*
Germany	25	34	*(9)*
UK & Nordics	40	30	*9*
Spain	6	15	*(9)*
East Europe	50	54	*(4)*
United States	45	32	*13*
Corporate	**(17)**	**(21)**	**4**
Adjusted gross operating profit	**540**	**535**	**5**
Adjusted amortisation, depreciation and impairment losses			
Italy	**(129)**	**(126)**	**(3)**
Abroad	**(143)**	**(133)**	**(10)**
France	(47)	(46)	*(2)*
Germany	(21)	(21)	*0*
UK & Nordics	(21)	(17)	*(4)*
Spain	(12)	(12)	*0*
East Europe	(19)	(19)	*(0)*
United States	(24)	(18)	*(5)*
Corporate	**(4)**	**(4)**	**0**
Adjusted amortisation, depreciation and impairment losses	**(276)**	**(263)**	**(13)**
Adjusted operating profit (loss)			
Italy	**197**	**213**	**(16)**
Abroad	**87**	**83**	**4**
France	18	6	*12*
Germany	4	12	*(9)*
UK & Nordics	19	13	*6*
Spain	(6)	3	*(8)*
East Europe	31	35	*(4)*
United States	22	14	*8*
Corporate	**(22)**	**(25)**	**4**
Adjusted operating profit	**263**	**271**	**(8)**
Capital expenditure [(1)]			
Italy	**74**	**135**	**(61)**
Abroad	**155**	**413**	**(258)**
France	19	142	*(123)*
Germany	29	9	*20*
UK & Nordics	106	26	*81*
Spain	0	0	*0*
East Europe	0	0	*0*
United States	1	236	*(235)*
Corporate	**5**	**5**	**1**
Total capital expenditure	**235**	**553**	**(318)**

(1) Includes capital expenditure in property, plant and equipment and intangible assets and M&A investments. It should be noted that the figures do not include the increase in Right-of-Use assets.

ITALY

The ERG Group operates in Italy through its companies that own wind and solar farms. Aside from the availability of plants, the performance of each farm is influenced by the wind speed profile and the solar irradiance of the site on which the farm is located, by the sales price of electricity, which can vary in relation to the region where the plants are located, by the incentive systems for renewable energy sources and by the regulations of organised energy markets, as well as by PPA contracts stipulated with prominent private counterparties.
During the financial year, the group commissioned its first BESS (Battery Energy Storage Systems) plant in Vicari (Palermo). The plant, which is located within ERG's electrical substation to which the nearby wind farms of Vicari (37.5 MW) and Roccapalumba (46.8 MW) are connected, has a capacity of 12.5 MW.
ERG operates in the electricity generation sector in Italy, with an installed capacity of 1,468 MW in wind power, 180 MW in solar power and 12.5 MW in Storage.

	Year		
	2025	**2024**	**Δ**
Operating results			
Installed capacity (MW) (1)	**1,661**	**1,643**	**18**
Wind	*1,468*	*1,468*	*0*
Solar	*180*	*175*	*5*
Storage	13	0	13
Output (GWh)	**2,744**	**2,720**	**24**
Wind	*2,462*	*2,479*	*(17)*
Solar	*282*	*241*	*41*
Load Factor % (2)			
Wind	*19%*	*20%*	*(1%)*
Solar	*18%*	*16%*	*2%*
Net unit revenue (EUR/MWh)	**144**	**149**	**(5)**
Wind	*118*	*125*	*(7)*
Solar	*371*	*399*	*(29)*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In **2025, electricity production** in Italy amounted to 2,744 GWh, of which 2,462 GWh from wind power and 282 GWh from photovoltaic plants, a slight increase compared to the same period in 2024 (2,720 GWh, of which 2,479 from wind power and 241 GWh from solar power), due to the full contribution from repowered and greenfield plants that came into operation in 2024 and 2025 and solar revamping, substantially offset by lower wind speeds recorded during the year.

	Year		
(EUR million)	**2025**	**2024**	**Δ**
Economic results			
Adjusted revenue	**409**	**418**	**(9)**
Wind	*303*	*320*	*(16)*
Solar	*106*	*98*	*8*
Adjusted gross operating profit	**326**	**339**	**(13)**
Wind	*231*	*250*	*(19)*
Solar	*96*	*90*	*6*
Amortisation, depreciation and impairment losses	**(129)**	**(126)**	**(3)**
Wind	*(84)*	*(81)*	*(3)*
Solar	*(45)*	*(45)*	*0*
Adjusted operating profit	**197**	**213**	**(16)**
Wind	*146*	*168*	*(22)*
Solar	*51*	*45*	*6*
Capital expenditure in property, plant and equipment and intangible assets	**74**	**135**	**(61)**
Wind	*61*	*116*	*(55)*
Solar	*5*	*11*	*(6)*
Storage	*8*	*8*	*0*
Ebitda Margin % (1)	**80%**	**81%**	**(1%)**
Wind	*76%*	*78%*	*(2%)*
Solar	*91%*	*92%*	*(1%)*

(1) ratio of adjusted gross operating profit (loss) to revenue from sales and services.

Revenue recorded in **2025**, amounting to EUR 409 million, was down compared with 2024 (EUR 418 million), as a result of persistently and significantly lower wind conditions during the period compared with historical averages and lower captured prices, only partially offset by the value of the GRIN incentive (55 EUR/MWh in 2025; 42 EUR/MWh in 2024) and by the full contribution of repowering and greenfield plants that progressively entered into operation during the year. It should be noted that the overall gross operating profit (loss) was affected by electricity price hedging policies implemented in line with the Group's risk policies, carried out at prices lower than those that influenced 2024.
In light of the above, ERG's net unit revenue from wind power in Italy, considering the value of energy sales, including the value of GRIN incentives and hedging, was 118 EUR/MWh, down compared to 2024 (125 EUR/MWh).
Net unit revenue relating to photovoltaic plants amounted to 371 EUR/MWh (399 EUR/MWh in 2024), down due to the aforementioned hedges.

Adjusted gross operating profit in Italy in **2025** amounted to EUR 326 million, a decrease compared to 2024 (EUR 339 million), mainly due to the same reasons outlined above under revenue.
Depreciation and amortisation for the year (EUR 129 million) was up slightly compared to 2024 (EUR 126 million) due to the full contribution of the repowered and greenfield plants that came into operation.

Capital expenditure

Capital expenditure in Italy in **2025 (EUR 74 million)** mainly relate to the start of repowering activities on two wind farms, the implementation of the Storage Project (12.5 MW), repowering and revamping activities on some solar plants, in addition to the usual maintenance aimed at further increasing the efficiency of the plants.

Relevant legislative and regulatory updates during the year

See also the "Relevant regulatory and institutional updates" chapter.

- **MASE - guidelines for the development of the market for long-term power purchase agreements (MPPAs) for renewable energy sources.**
  The GME has been tasked with developing an organised market platform for the long-term trading of renewable energy and establishing the criteria and conditions under which the GSE can assume the role of guarantor of last resort. Operational procedures, access criteria, and rules for using the guarantee will be defined in the GSE's Operating Rules, in line with market principles and subject to a maximum expenditure cap of EUR 45 million per year for each of the years from 2025 to 2027. ARERA will define a charge for counterparties accessing the guarantee, and the GSE must submit a proposal for approval of the operating rules to the MASE, in agreement with the GME.

- **ARERA – Implementation of TIDE**
  The TIDE (Integrated Text for Electricity Dispatching), which entered into force on 1 January 2025, introduced a far-reaching reform of the Italian electricity system. The initial transitional phase provided for the simplification of certain rules to ensure a gradual transition. From 1 February 2026, the consolidation phase has commenced, during which the implementations envisaged under TIDE are being completed, including adjustments identified during the transitional period. This will be followed by a stabilisation phase, extending beyond 31 December 2026, aimed at the full implementation of the new regulatory framework, with the exception of the sections concerning macro imbalance zones. Among the most significant innovations is the separation of the roles of BRP and BSP, previously both assigned to the dispatching user, together with the introduction of a 15-minute MTU, a key element for alignment with European markets. Support mechanisms such as the Transitional RES-X scheme have also been adapted to ensure consistency with TIDE, and the procedure for participation in the European platforms MARI and PICASSO has been defined.

- **ARERA – Quantification of the value of incentives replacing green certificates**
  ARERA has officially determined – with Resolution 7/2026/R/efr of 27 January 2026 – the average annual electricity sale price for 2025, for the purpose of calculating the replacement incentives for green certificates in 2026. The established value is 115.32 EUR/MWh.

- **ARERA - resolution no. 166/2025 on the remuneration of the Frequency Containment Reserve**
  The reform defines the criteria and methodologies necessary to extend the optional mechanism for valuing energy provided for primary frequency regulation (FCR) to generation units based on inverters.

- **Obligations to upgrade RES plants – ARERA Resolution 385/2025**
  ARERA has introduced new compliance obligations for wind and photovoltaic plants connected at medium voltage, within the framework of the RIGEDI procedure. With Resolution 385/2025, the Authority approved the amendments proposed by Terna to Annex A.72 of the Grid Code, requiring the installation of a Central Plant Controller and the activation of advanced functionalities. The deadlines that required compliance by 28 February 2026 for plants ≥1 MW, without compensation, have been extended by ten months. The new requirements entail significant and unplanned costs. Discussions with Terna and ARERA remain ongoing with a view to a possible revision of the obligations and timelines, as operators have highlighted a number of critical issues.

- **ARERA – Resolution 566/2025: gradual launch of FCR procurement through market mechanisms from 2026**
  ARERA has introduced the new Annex A.83 to the Grid Code, initiating the transition towards the procurement of Frequency Containment Reserve (FCR) through market-based procedures. The mechanism will enter into operation gradually. From 1 February 2026, Terna will launch a testing phase for additional capacity, while until 31 July 2026 units currently subject to

mandatory provision will continue to supply the minimum FCR band free of charge. From 1 August 2026 to 31 July 2028, this mandatory band will be progressively reduced, alongside a parallel increase in the share procured through the market. From 1 August 2028, procurement will take place exclusively through auctions. A single daily procedure is envisaged after the first MI auction and before the MSD phase. The system provides for reserve prices defined on a monthly basis (EUR/MW per quarter hour) and remuneration of energy measured through UVRP devices.

- **MASE – Funds allocated for the development and strengthening of the grid in less developed regions**
  The Ministry for the Environment and Energy Security (MASE) has allocated EUR 379 million to support the expansion and modernisation of the electricity grid in the country's less developed regions. The measure, addressed to Terna as the sole national transmission concessionaire, finances projects for the construction of new grid sections, the building of electrical substations and the repowering of existing infrastructure. The objective is to foster the development of a smart grid capable of increasing the share of demand met by distributed generation from renewable sources, particularly in Southern Italy. Eligible regions include Campania, Calabria, Basilicata, Sardinia, Sicily, Molise and Puglia. Projects must be completed by 2029, with the application window open from 15 September 2025 to 15 January 2026. The expected investments will contribute to unlocking additional grid capacity for the integration of new renewable energy plants in Southern Italy.

- **PPA market with the GSE as last-resort guarantor**
  The MPPA (Market for the negotiation of Power Purchase Agreements) is the new platform organised by GME for the trading of long-term renewable energy contracts (5–10 years). Its objective is to make PPAs more accessible, transparent and standardised, reducing risks and supporting the development of renewable energy sources. The MPPA was established by Decree no. 152 of 20 June 2025, which provides GME with the guidelines for designing the platform. Participation requirements are currently being defined.

- **Terna - Italy Adequacy Report (RAI)**
  Terna published the Adequacy Report for Italy for the years 2028, 2030 and 2035. According to the Italian TSO, thermoelectric capacity may become economically unsustainable in the near future, increasing the risk of insufficient generation capacity. To address this threat, Terna calls for accelerated development of RES plants, strengthening of the grid, and promotion of storage systems. These measures will ensure that Italy maintains system adequacy within the required safety parameters.

ABROAD

ERG is active abroad in the generation of electricity from wind and solar sources.
ERG is one of the top ten operators in the wind power sector in Europe, with a significant and growing presence (1,603 MW in operation), particularly in France (605 MW, increasing following the entry into operation of an 18 MW wind farm developed and built internally), Germany (330 MW), increased in 2025 with the completion of the repowering of a wind farm (+3 MW incremental), Poland (142 MW), the UK & Nordics (402 MW), increased in 2025 with the acquisition of a 43 MW wind farm in Scotland and the construction and commissioning of the Corlacky wind farm in Northern Ireland), Romania (70 MW) and Bulgaria (54 MW). Furthermore, ERG operates in France and Spain in the generation of electricity from solar sources with 393 MW of installed capacity, of which 128 MW in France and 266 MW in Spain. It should also be noted that in April 2024, the Group entered the renewable energy market in the United States through a strategic partnership with Apex Clean Energy, acquiring a wind and solar portfolio (317 MW of which 224 MW wind and 92 MW solar).
As indicated in the introduction, in January 2026 the Group sold its Swedish plants as part of a geographical repositioning operation: in this Report, in order to facilitate understanding of the Group's operating performance, the **adjusted** results for UK & Nordics also include in ordinary activities the results of the Swedish asset that was in the process of being sold at the balance sheet date.

FRANCE

	Year		
	2025	**2024**	**Δ**
Operating results			
Installed capacity (MW) (1)	**733**	**715**	**18**
Wind	*605*	*587*	*18*
Solar	*128*	*128*	*0*
Output (GWh)	**1,242**	**1,210**	**32**
Wind	*1,104*	*1,084*	*20*
Solar	*138*	*126*	*12*
Load Factor % (2)			
Wind	*21%*	*21%*	*0%*
Solar	*12%*	*12%*	*1%*
Net unit revenue (EUR/MWh)	**88**	**82**	**6**
Wind	*88*	*82*	*6*
Solar	*85*	*81*	*5*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In 2025, electricity output in France will amount to 1,242 GWh, of which 1,104 GWh will come from wind power and 138 GWh from photovoltaic plants, an increase compared to 2024 (1,210 GWh, of which 1,084 GWh from wind power and 126 GWh from photovoltaic plants) due to the wind farms that will gradually come into operation during 2024 and 2025, partly offset by wind speeds below historical averages.

	Year		
(EUR million)	**2025**	**2024**	**Δ**
Economic results			
Adjusted revenue	**111**	**100**	**11**
Wind	*99*	*90*	*9*
Solar	*12*	*10*	*2*
Adjusted gross operating profit	**65**	**51**	**14**
Wind	*59*	*47*	*12*
Solar	*6*	*4*	*2*
Amortisation, depreciation and impairment losses	**(47)**	**(46)**	**(2)**
Wind	*(42)*	*(40)*	*(2)*
Solar	*(5)*	*(6)*	*1*
Adjusted operating profit	**18**	**6**	**12**
Wind	*17*	*7*	*10*
Solar	*1*	*(2)*	*2*
Capital expenditure in property, plant and equipment and intangible assets	**19**	**142**	**(123)**
Wind	*19*	*113*	*(94)*
Solar	*0*	*29*	*(29)*
Ebitda Margin % (1)	**58%**	**51%**	**7%**
Wind	*59%*	*52%*	*7%*
Solar	*51%*	*42%*	*9%*

(1) ratio of adjusted gross operating profit (loss) to revenue from sales and services.

Revenue recorded in **2025** amounted to EUR 111 million, up from EUR 100 million in 2024, due to the scope effect resulting from the wind farms that came into operation in 2024 and 2025 and the increase in energy sales prices, only partly offset by lower wind speeds.
Net unit revenue from wind power in France, equal to 88 EUR/MWh, up compared with 2024 (82 EUR/MWh) due to better market prices and hedging in line with the group's risk policy.
Net unit revenue for photovoltaic systems totalled 85 EUR/MWh, up from 81 EUR/MWh in 2024.

Adjusted gross operating profit in France in **2025** amounted to EUR 65 million, up compared to 2024 (EUR 51 million), mainly due to the scope effect and the better prices captured.
Depreciation and amortisation for the year (EUR 47 million) was slightly up compared to 2024 (EUR 46 million) due to the contribution of the wind farms and photovoltaic systems developed internally.

Capital expenditure
Capital expenditure in France in **2025 (EUR 19 million)** mainly refers to the completion of a greenfield wind farm (18 MW) which became operational in the second quarter of 2025 and the start of construction activities of the first repowering project at a French wind farm (23 MW). The figure for 2024 included the effect of the acquisition of a wind and photovoltaic portfolio (EUR 84 million) in the first quarter of 2024.

Relevant legislative and regulatory updates during the year
See also the "Relevant regulatory and institutional updates" chapter.

- **CRE - Alignment of CfDs with the 15-minute market granularity**
  The CRE has published a resolution recommending the alignment of Contracts for Difference (CfDs) with the future 15-minute market granularity. Specifically, it proposes switching from hourly calculation to a 15-minute basis for determining the reference price in CfDs, in line with the SDAC market transition scheduled for 1 October 2025. Following a public consultation, the CRE suggests adopting the new calculation method from 1 April 2026, with a transitional period starting on 1 October 2025 to allow operators time to adapt.

- **CRE – Universal Nuclear Payment**
  From 1 January 2026, the new *Versement Nucléaire Universel* (VNU) will enter into force in France, replacing the ARENH mechanism and marking a profound structural change in the electricity market. France will move from a model based on regulated access to nuclear volumes to a system based on a revenue cap. The VNU does not set a price; rather, it determines when EDF's average nuclear revenues exceed a level deemed "reasonable", applying a levy on the surplus to finance credits for consumers. The mechanism changes how nuclear value is captured and redistributed, while granting EDF the freedom to sell electricity across all markets (spot, long-term contracts and nuclear PPAs). This increases competition among suppliers and heightens the need for fixed-price contracts, potentially benefiting renewables in scenarios of rising prices. The price assessment is based on the CRE report entitled "Évaluation des coûts complets de production de l'électricité au moyen des centrales électronucléaires historiques pour la période 2026-2028", which aims to estimate the full production costs of EDF's historical nuclear fleet. The CRE has set the full cost of historical nuclear generation at 60.3 EUR/MWh (2026 value), and the fiscal trigger prices at 78 EUR/MWh

(50% taxation on additional revenues) and 110 EUR/MWh (90% taxation on additional revenues). These thresholds are intended to allow EDF to finance the refurbishment and expansion of the nuclear fleet and other infrastructure investments, while avoiding additional pressure on public debt.

- **CRE - changes to the regulation of Frequency Ancillary Services**
  From 1 February 2025, the principle of elastic demand will be introduced for part of the secondary reserve requirement, which will be sent by RTE to the European PICASSO platform (participation in the PICASSO platform is a necessary prerequisite). From 1 January 2026, only asymmetric bids may be submitted for the secondary reserve.

- **RTE – Outlook to 2035**
  RTE has published the update of its outlook to 2035, a preliminary document intended to guide the government in defining the PPE and the national electrification roadmap. The system operator emphasises that rapid electrification makes it possible to align demand and generation more effectively, thereby reducing overall system costs. Approximately 30 GW of industrial, digital and hydrogen projects already hold grid access rights: even a 60% realisation rate would enable a significant acceleration of decarbonisation. RTE announces reforms to grid access, greater selectivity in capacity reservations and the extension of "fast track" mechanisms, overbooking and priority zones. The analysis shows that rapid decarbonisation reduces costs by around 7 EUR/MWh. Although a surplus currently exists, RTE warns that the risks associated with under-capacity remain more costly than those linked to over-capacity. Network investments of EUR 100 billion by 2040 are also confirmed, deemed necessary even under slower electrification scenarios.

GERMANY – WIND

	Year		
	2025	2024	Δ
Operating results			
Installed capacity (MW) [1]	330	327	*3*
Output (GWh)	472	568	*(96)*
Load Factor % [2]	16%	20%	*(4%)*
Net unit revenue (EUR/MWh)	94	92	*2*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In **2025, electricity production** in Germany amounted to 472 GWh, down from 568 GWh in 2024 due to the persistently lower wind speeds recorded during the year.

	Year		
(EUR million)	2025	2024	Δ
Economic results			
Adjusted revenue	45	55	(10)
Adjusted gross operating profit	25	34	(9)
Amortisation, depreciation and impairment losses	(21)	(21)	0
Adjusted operating profit	4	12	(9)
Capital expenditure in property, plant and equipment and intangible assets	29	9	20
Ebitda Margin % (1)	55%	61%	(6%)

(1) ratio of adjusted gross operating profit (loss) to revenue from sales and services.

Revenue recorded in **2025** amounted to EUR 45 million, down compared to 2024 (EUR 55 million), mainly due to lower wind levels recorded during the year, partially offset by better prices achieved thanks to the one-way incentive mechanism and the contribution of the repowered farm that became operational in 2025.
Net unit revenue from wind power in Germany, equal to 94 EUR/MWh, was therefore up slightly compared to 2024 (92 EUR/MWh).

Adjusted gross operating profit in Germany in **2025** amounted to EUR 25 million, down compared to 2024 (EUR 34 million).

Capital expenditure
Capital expenditure in Germany in **2025 (EUR 29 million)** mainly relates to the completion of the repowering activities of a wind farm with 6 MW of new wind capacity (+3 MW incremental), which entered into operation in the second quarter of 2025, the construction of wind farms totalling 28 MW, and the launch of repowering activities on two wind farms (34 MW).

Relevant legislative and regulatory updates during the year
See also the "Relevant regulatory and institutional updates" chapter.

- **ENTSO-E - Publication of report on the assessment of Bidding Zones**
  ENTSO-E has published its new report on the assessment of bidding zones for Central Europe and the Nordic countries. While for the latter the introduction of bidding zones is deemed economically unsustainable, in Germany, the proposal to divide the country into five zones could bring significant economic advantages at the system level. Many trade associations have opposed ENTSO-E's assessment, criticising both the methodology and the reliability of the data used for the simulations (dating back to 2019). ENTSO-E itself considers a new analysis necessary. If implemented, such a reform would result in higher prices in most Central and Eastern European countries, while leading to a reduction in prices in northern Germany. Finally, this reform would require an implementation period of between 3 and 5 years, as well as strong political will, which is currently lacking. The German Government rejected ENTSO-E's proposal, justifying its decision on the grounds of preserving market liquidity and avoiding any undermining of investor confidence.

UK & NORDICS – WIND

	Year		
	2025	2024	Δ
Operating results			
Installed capacity (MW) (1)	402	311	*91*
Output (GWh)	711	588	*123*
Load Factor % (2)	20%	22%	*(2%)*
Net unit revenue (EUR/MWh)	65	60	*5*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In **2025,electricity production** in the UK and Sweden amounted to 711 GWh, up compared to 2024 (588 GWh), mainly due to the scope effect (130 GWh) thanks to the contribution of the wind farm acquired in the UK at the beginning of 2025 and the greenfield wind farm built internally in Northern Ireland and entered into operation in the third quarter of 2025.

	Year		
(EUR million)	2025	2024	Δ
Economic results			
Adjusted revenue	70	54	*17*
Adjusted gross operating profit	40	30	*9*
Amortisation, depreciation and impairment losses	(21)	(17)	*(4)*
Adjusted operating profit	19	13	*6*
Capital expenditure in property, plant and equipment and intangible assets	106	26	*81*
Ebitda Margin % (1)	57%	56%	*0%*

(1) ratio of adjusted gross operating profit (loss) to revenue from sales and services.

Revenue recorded in **2025** amounted to EUR 70 million, up compared to 2024 (EUR 54 million), mainly due to the effects of the new capacity in operation during 2025 and greater participation in the balancing market in Scotland.
Net unit revenue amounted to 65 EUR/MWh, up compared to 2024 (60 EUR/MWh).

Adjusted gross operating profit in the UK & Nordics region in **2025** was EUR 40 million, up compared to 2024 (EUR 30 million), mainly due to the same revenue-related reasons.
Amortisation and depreciation for the year (EUR 21 million) increased compared to 2024 (EUR 17 million) due to the scope of consolidation resulting from the acquisition of the wind farm in Scotland in January 2025 (43 MW) and the commissioning of the wind farm built internally in Northern Ireland (47 MW), which became operational during the third quarter of 2025.

Capital expenditure
Capital expenditure in the UK & Nordics region in **2025 (EUR 106 million)** mainly relates to the acquisition of a wind farm in Scotland (43 MW) and the construction of a new wind farm in Northern Ireland, which became operational in the third quarter of 2025 (47 MW).

Relevant legislative and regulatory updates during the year
See also the "Relevant regulatory and institutional updates" chapter.

- **Reform of the connection queue management process (TMO4+)**
  The introduction of the newly reformed process for managing connection requests to the grid, known as Target Model Option 4+ (TMO4+), has been approved. The aim is to reorganise the connection queue to prioritise projects that are both "ready" and "necessary", in line with the Clean Power 2030 (CP2030) action plan. The reform provides for the creation of a streamlined queue consistent with the objectives of CP2030 and entails amendments to NESO licences, the Transmission Standard Licence and the Distribution Standard Licence.
  Projects must demonstrate both adequate "readiness" and alignment with the CP2030 objectives in order to access Gate 2 and thus receive priority.

- **NESO forecasts for TNUoS charges 2026/27**
  The UK system operator NESO has published the Draft Forecast of TNUoS charges for the 2026/27 charging year, covering the period from 1 April 2026 to 31 March 2027. Total revenue to be recovered from generators is estimated at GBP 1.23 billion, a decrease of approximately GBP 40 million compared with the previous Five-Year View. The reduction is mainly attributed to lower expected revenue from local offshore tariffs. NESO has also updated the generation base, now standing at 102.88 GW, reflecting improved forecasts of incoming projects. As a result, the average forecast generation tariff falls to 11.95 GBP/kW, driven by lower revenue requirements and a broader charging base. At the same time, the Draft Annual Load Factors for 2026/27 have been published, enabling generators to update their bespoke forecasts of TNUoS charges.

- **DESNZ and Ofgem - electricity storage**
  DESNZ and Ofgem have published a joint Technical Decision Document confirming the cap and floor scheme for the long-duration electricity storage programme. This scheme will be funded through network charges, if activated, to incentivise energy storage projects. The mechanism applies exclusively to facilities capable of delivering power at full capacity continuously for at least 8 hours and includes two access channels: the first dedicated to mature technologies, with a minimum threshold of 100 MW; the second aimed at pre-commercial technologies, with a minimum threshold of 50 MW. The mechanism will run for 25 years and, for the first selection window, open until 2035, the indicative total capacity is between 2.7 and 7.7 GW.

- **Department for the Economy – Connection reform: socialisation of grid reinforcement costs**
  The reform approved by the Department for the Economy introduces a structural change to the model for allocating electricity connection costs in Northern Ireland, aiming to socialise the costs of reinforcing the distribution network. In practice, connecting parties (households, businesses or generators) will be responsible only for the works directly required for their specific connection point, while wider network reinforcement costs will be spread across the entire user base. The measure seeks to remove one of the main barriers to new connections, ensuring greater fairness and predictability for investors and promoting more uniform access to the grid. The Department has also requested that the Utility Regulator, together with NIE Networks, swiftly implement this new approach, marking a shift towards a more collective and less burdensome system for individual applicants.

- **EirGrid/SONI – New guidance on the implementation of rebalancing for renewables**
  EirGrid and SONI have published the Market Participants Guide – A Guide to Rebalancing, aimed at improving the dispatch of renewable generation. The initiative seeks to strengthen the ability of the Control Centres to manage wind and solar generation by introducing a fairer approach to the allocation of constraints and curtailment. The key element is the rebalancing mechanism, which allows curtailment to be reallocated in real time among renewable units based on changes in weather conditions and plant availability. The process will be implemented through an update of the Wind Dispatch Tool, introducing new dispatch functionalities and decision-support tools. The guidance outlines the issues addressed by the Scheduling and Dispatch initiative and the operational principles underpinning rebalancing. The document is independent of the SDP_01 initiative, which will remove priority dispatch for renewables, although the timing of that reform remains uncertain.

SPAIN – SOLAR

	Year		
	2025	**2024**	**Δ**
Operating results			
Installed capacity (MW) [1]	**266**	**266**	*0*
Output (GWh)	**449**	**479**	*(30)*
Load Factor % [2]	**19%**	**21%**	*(2%)*
Net unit revenue (EUR/MWh)	**33**	**47**	*(14)*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In **2025,electricity production** in Spain amounted to 449 GWh, down compared to 2024 (479 GWh) mainly due to lower irradiation, plant shutdowns during hours when prices were negative and the participation of plants in ancillary services markets.

(EUR million)	Year 2025	2024	Δ
Economic results			
Adjusted revenue	18	24	*(6)*
Adjusted gross operating profit	6	15	*(9)*
Amortisation, depreciation and impairment losses	(12)	(12)	*0*
Adjusted operating profit (loss)	(6)	3	*(8)*
Capital expenditure in property, plant and equipment and intangible assets	0	0	*0*
Ebitda Margin % (1)	33%	60%	*-27%*

(1) ratio of adjusted gross operating profit (loss) to revenue from sales and services.

Revenue recorded in **2025** amounted to EUR 18 million, down compared to 2024 (EUR 24 million) mainly due to lower market prices, which were particularly penalised during the day compared to 2024, which had benefited from higher hedging prices in addition to the aforementioned lower production. Net unit revenue amounted to 33 EUR/MWh, down compared to 2024 (47 EUR/MWh).

Adjusted gross operating profit in Spain in **2025** amounted to EUR 6 million, down compared to 2024 (EUR 15 million) as a result of lower revenues.

EAST EUROPE (POLAND, ROMANIA AND BULGARIA) – WIND

	Year 2025	2024	Δ
Operating results			
Installed capacity (MW) (1)	266	266	-
Output (GWh)	657	710	*(54)*
Load Factor % (2)	28%	30%	*-2%*
Net unit revenue (EUR/MWh)	95	87	*8*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In **2025, electricity production** in East Europe amounted to 657 GWh, down from 710 GWh in 2024 due to lower wind conditions recorded.

(EUR million)	Year 2025	2024	Δ
Economic results			
Adjusted revenue	67	68	*(0)*
Adjusted gross operating profit	50	54	*(4)*
Amortisation, depreciation and impairment losses	(19)	(19)	*(0)*
Adjusted operating profit	31	35	*(4)*
Capital expenditure in property, plant and equipment and intangible assets	0	0	*0*
Ebitda Margin % (1)	74%	80%	*-6%*

(1) ratio of adjusted gross operating profit (loss) to revenue from sales and services.

Revenue recorded in **2025,** equal to EUR 67 million, was substantially in line with 2024 (EUR 68 million), mainly due to the aforementioned lower wind conditions, partly offset by the increase in prices captured in Poland and Bulgaria.
Average net unit revenue in East Europe amounted to 95 EUR/MWh, up compared to 2024 (87 EUR/MWh) due to aforementioned higher energy sales prices.
It should be noted that the measures (windfall tax) introduced by the Romanian government in 2024 and then renewed in 2025 to combat high energy prices require the Group's plants to sell through PPAs at 400 lei/MWh, which is approximately 80 EUR/MWh (450 lei/MWh until 31 March 2024, equivalent to approximately 90 EUR/MWh); these values do not include the green certificate revenue of 29 EUR/MWh.

Adjusted gross operating profit in East Europe in **2025** amounted to EUR 50 million, down compared to 2024 (EUR 54 million).
It should be noted that the results for the year reflect the release of provisions for risks and charges[15] following the cessation of the risks that had originally led to their recognition.

15 The 2025 figure reflects the release of provisions for risks amounting to EUR 4 million (of which approximately EUR 3 million in Romania and EUR 1.5 million in Poland), whereas the comparative figure reflected the partial release of provisions for risks of approximately EUR 9 million, of which EUR 6 million in Romania in relation to Green Certificates and EUR 3 million in Poland in relation to clawback measures.

Relevant legislative and regulatory updates during the year
See also the "Relevant regulatory and institutional updates" chapter.

Poland

- **Introduction of products with 15-minute intervals**
  In March, a significant change came into effect concerning the operation of the European electricity market: the introduction of 15-minute interval products in place of hourly ones within the framework of the Single Intraday Coupling (SIDC). This transition represents an important development towards greater trading granularity, in line with the objective of improving the integration of renewable energy sources and the accuracy of the demand-supply balance.

Romania

- **OPCOM – Updated prices and mandatory Green Certificate quota for 2026**
  OPCOM has published the trading session calendar and the updated values of Green Certificates (GCs) for 2026. As usual, the annual adjustment concerns only the price in lei, revised in line with the leu/euro exchange rate, while the values in euro remain unchanged. The minimum trading price is set at 148.2201 lei/GC (29.4 EUR/GC), while the maximum is 176.4525 lei/GC (35 EUR/GC). At the same time, ANRE has updated the mandatory GC quota for suppliers in 2026 to 0.499387 GC/MWh, slightly higher than the 0.496 GC/MWh set for 2025. The forecast of final electricity consumption has also increased, now standing at 48.7 TWh. In the absence of regulatory changes to the pricing mechanisms, eligible plants will continue to be remunerated at the minimum value in 2026.

UNITED STATES – WIND AND SOLAR

It should be noted that the 2024 figures reflect the impact of the line-by-line consolidation of the wind and solar portfolio acquired in the United States as of 1 April 2024.

	Year		
	2025	2024	Δ
Operating results			
Installed capacity (MW) (1)	317	317	0
Wind	*224*	*224*	*0*
Solar	*92*	*92*	*0*
Output (GWh)	966	684	282
Wind	*809*	*563*	*247*
Solar	*156*	*121*	*36*
Load Factor % (2)			
Wind	*41%*	*29%*	*13%*
Solar	*19%*	*15%*	*4%*
Net unit revenue (EUR/MWh)	26	26	(0)
Wind	*22*	*22*	*1*
Solar	*46*	*47*	*(1)*
Net unit revenue including PTC (EUR/MWh)	51	51	(0)
Wind	*51*	*52*	*(0)*
Solar	*46*	*47*	*(1)*

(1) capacity of plants in operation at the end of the year.
(2) actual output in relation to maximum theoretical output (calculated taking into account the actual date of entry into operation of each individual farm).

In **2025, electricity output** in the United States amounted to 966 GWh (of which 809 GWh from wind sources and 156 GWh from solar sources), up compared to 2024 (684 GWh, of which 563 from wind sources and 121 from photovoltaic systems), in which US assets had contributed since 1 April 2024.
Net unit revenue from wind power amounted to 22 EUR/MWh (51 EUR/MWh including PTCs), in line with 2024, while those from solar sources amounted to 46 EUR/MWh, up slightly compared to 2024 (47 EUR/MWh), reflecting the prices of PPAs contracted with leading corporate counterparties.

(EUR million)	Year 2025	2024	Δ
Economic results			
Adjusted revenue	**31**	**18**	**13**
Wind	*22*	*12*	*10*
Solar	*9*	*6*	*3*
Adjusted gross operating profit	**45**	**32**	**13**
Wind	*39*	*27*	*12*
Solar	*6*	*5*	*1*
Amortisation, depreciation and impairment losses	**(24)**	**(18)**	**(5)**
Wind	*(20)*	*(16)*	*(4)*
Solar	*(4)*	*(3)*	*(1)*
Adjusted operating profit	**22**	**14**	**8**
Wind	*19*	*12*	*7*
Solar	*3*	*2*	*0*
Capital expenditure in property, plant and equipment and intangible assets	**1**	**236**	**(235)**
Wind	*0*	*182*	*(182)*
Solar	*0*	*54*	*(53)*
Adjusted revenue and Other income (PTCs)	**56**	**36**	**27**
Wind	*47*	*31*	*23*
Solar	*9*	*6*	*3*

Revenue recorded in **2025** amounted to EUR 31 million, up compared to 2024 (EUR 18 million) mainly due to the full contribution of the assets in the year compared to the comparative period, which reflected the consolidation from 1 April 2024. The item also includes the positive release of the fair value of PPAs for the portion pertaining to the year.

Revenue and other income (PTCs) totalled EUR 56 million and includes, in addition to the aforementioned revenue, approximately EUR 25 million relating to the non-monetary income of the Production Tax Credit recognised under "Other income" and calculated on the basis of energy production recorded in the year from the wind farm.

Adjusted gross operating profit in the United States in **2025** amounted to EUR 45 million, up compared to 2024 (EUR 32 million), mainly due to the scope effect. Please note that this figure is influenced by the price of PPAs and the aforementioned income.

Relevant legislative and regulatory updates during the year
See also the "Relevant regulatory and institutional updates" chapter.

- **Order ER25-579-000 relating to the revision of tariffs**
  The FERC has approved the amendments proposed by MISO to its Open Access Transmission, Energy and Operating Reserve Markets Tariff, concerning the revision of the Value of Lost Load (VOLL), which represents the maximum price that customers would be willing to pay to avoid a power outage. This value is calculated based on the willingness to pay of the customers most sensitive to such interruptions. MISO will therefore be able to raise the VOLL to 10,000 USD/MWh—almost three times the current value of 3,500 USD/MWh—from 30 September. The VOLL will be used as a price cap for locational marginal prices and market prices during load-shedding events.

- **Notice 2025-42: clarification of start-of-construction requirements for wind and solar tax credits**
  Notice 2025-42 provides updated guidance on the criteria for determining when construction of wind and solar projects is deemed to have commenced for the purposes of qualifying for US tax credits. Projects that begin construction by 2 September 2025 may qualify either by starting significant physical work or by incurring at least 5% of the costs. After that date and until 4 July 2026, projects above 1.5 MW must demonstrate the start of construction through physical work, whereas solar PV installations up to 1.5 MW may continue to qualify with the 5% project cost rule. All projects that have not commenced construction by 4 July 2026 must enter into service by 31 December 2027. The guidance, which is less restrictive than anticipated, provides greater certainty for developers and does not affect the rules applicable to technologies other than wind and solar.

- **FERC – New reliability standards for inverter-based renewable plants**
  The Federal Energy Regulatory Commission (FERC) has approved new reliability standards for inverter-based resources (IBRs), primarily wind and solar plants, in light of their increasing penetration in the US electricity system. These rules represent a further step in the process initiated with Order no. 901 of 2023, through which FERC directed NERC to develop a structured set of requirements specifically tailored to these technologies. The new standards require IBR facilities to remain connected to the grid during voltage and frequency disturbances, ensuring ride-through capabilities comparable to those of synchronous generators. The objective is to address existing regulatory gaps and ensure that renewables meet reliability expectations comparable to those applicable to conventional generation sources.

RISKS AND UNCERTAINTIES

The main Risk Assessment and Management activities carried out as part of Enterprise Risk Management include: (i) the identification and assessment of the main risks associated with the Business Plan, as well as the definition of the respective Risk Policies; (ii) continuous verification of the functioning and effectiveness of the risk management process; (iii) sharing of the results of the half-yearly Risk Assessments with all of Group management. The ERM model is subject to periodic updates in line with the evolution of the Group and the context in which it operates and applies to all ERG Group companies.

Enterprise Risk Management is aimed at contributing in a proactive and integrated manner to safeguarding the share capital of the ERG Group and to managing the business efficiently and effectively in line with the strategies defined by the Board of Directors, giving adequate consideration to current and prospective risks, including medium and long term risks, with an organic and comprehensive vision.
It should be pointed out that, at the date of preparation of this Report, no particular risks and uncertainties are envisioned, in addition to those mentioned in the document, which may determine significant consequences on the operating results, financial position and cash flows of the ERG Group.

In view of the war that broke in Ukraine at the end of February 2022, management continues to monitor any critical issues and impacts that the conflict could have on the ERG Group, in particular with reference to credit risk and plant security.

As regards **credit risk**, there are no positions opened directly with Russian and Ukrainian counterparties.

In relation to **plant safety**, note the position of some of the Group's wind farms in Eastern Europe (Poland and Romania) close to the Ukrainian border: since these are countries that are part of NATO, there are currently no risks directly linked to the conflict.

Throughout 2025, the global macroeconomic scenario continued to be characterised by moderate growth. The environment remains heavily influenced by ongoing international trade tensions, high geopolitical uncertainty and structural vulnerabilities that limit the growth potential of major advanced and emerging economies.
This scenario mainly reflects:

- the restrictive impact of US tariff policies, which have increased the costs of international trade;
- a contraction in private investments in response to a more uncertain regulatory and political context;
- persistent geopolitical fragility, including recent developments in the Middle East, Venezuela and tensions between European countries and the United States over Greenland, which could represent an additional risk factor.

During 2025, energy prices showed a general upward trend, albeit characterised by high volatility. The outlook remains strongly influenced by factors such as:

- changing international energy policies;
- the dynamics of supply and demand in global markets;
- geopolitical tensions in strategic areas for the supply of oil and gas.

These factors pose a significant risk of increased energy costs, with potential repercussions on inflation, the profitability of energy-intensive businesses and the purchasing power of households.
In June 2025, the European Central Bank announced a further cut in reference rates of 25 basis points, continuing the cycle of monetary easing that began in mid-2024 in response to a series of exceptional shocks (pandemic, conflict in Ukraine, energy crisis).
In view of its operations, ERG classifies the risks to which it is exposed into four categories: Strategic, Financial, Operational and Compliance.

Strategic	▪ Availability of renewable resources ▪ Evolution of the regulatory framework ▪ Climate Change ▪ New capital expenditure ▪ Risks related to Parent company Rating and Reputation
Financial	▪ (Commodity) price risk ▪ Liquidity ▪ Credit and Counterparties ▪ Exchange Rate and Interest Rates ▪ Disputes
Operational	▪ Health, Safety and Environment ▪ ICT and Cyber Security ▪ Continuity of service ▪ Human Capital ▪ Procurement and Supply Chain
Compliance	▪ Anti-corruption legislation ▪ Country

STRATEGIC RISKS

Availability of renewable resources
This risk refers to the possibility that the Group may incur economic damages deriving from the volatility of electricity generation volumes, with particular reference to renewable production and to the availability of natural resources (such as Wind and Sun).
The risk is mitigated through:
- Technological diversification of renewable energy plants (e.g. Wind and Solar) and the geographic diversification of the generating farms, which reduce both the impact and likelihood of occurrence of the risk;
- Scheduling the outages of renewable facilities in relation to the periods of low contribution of renewable sources, thereby reducing their impact;
- The use of more accurate meteorological forecasting tools to define generation plans that allow for improvement in Volume Risk management strategies over the short term.

The use of statistical risk analysis models is also envisaged, as they enable quantification of the economic impacts over the term of the plan.

Evolution of the regulatory framework
This refers to the risk associated with the evolution of the national, international and EU regulatory and legislative environment, which, given the high degree of regulation in the business sector in which the Group operates, may lead to negative economic impacts on the current or potential business.
This category includes, for example, the possibility that measures (market change and/or windfall taxes) may be adopted in the countries where ERG operates in order to reduce the price perceived by renewable energy sources and consequently lower the supply costs for the system (interventions involving refunds of the price perceived by certain categories of renewable plants and taxation of the so-called surplus profits of energy operators). The Group continuously monitors the development of the regulatory framework in the countries where it is present, in order to prevent and/or mitigate the effects on the different business areas, through safeguards spanning multiple levels, which entail, at the local, national, and European level, collaborative dialogue with institutions and with the bodies governing and regulating the sector through active participation in business associations and in working groups established in the same agencies, as well as the examination of the regulatory developments and of the instructions of the sector Authority and the preparation of specific position papers to communicate its position in this regard.
To this end, the ERG Group has established specific Organisational Units dedicated to continuous monitoring of developments in key national and international regulations, that monitor the evolution of the regulatory framework in the countries in which the Group operates.
Among the main matters subject to regulatory developments, the following are highlighted in particular:
- the reform of the Electricity Market both at European level and in the various countries in which the Group operates;
- the adoption of measures aimed at reducing the cost of electricity through specific interventions (e.g. Bills Decree Law in Italy) with a potential negative impact on the sales prices received by renewable plants
- the reform of the incentive systems for Renewable Energy Sources in the countries in which the Group operates (e.g. transition from FIT to FIP; changes in the auction systems; European Directives; Guidelines on State aid for the environment and energy);
- energy savings certification within the White Certificates mechanism by Gestore dei Servizi Energetici (GSE);
- the implementation of the European Green Deal and the other packages adopted at EU level for the decarbonisation and security of energy supply, as well as the related national implementation plans;
- the rules for obtaining and maintaining the authorisations and permissions for the construction and operation of Renewable energy plants, as well as the incentives associated with them.

Climate Change
Climate change risk is the possibility that climate changes in the short, medium and long term may have impacts on ERG's business with economic/financial consequences in terms of (some examples): decreased availability of renewable resources (wind and sun); limitations or impediments to operations; increased O&M costs; increased insurance costs; higher compliance expenses; etc. To combat the climate change already underway, the Intergovernmental Panel on Climate Change (IPCC) has highlighted in its publications the effects that global warming may have and in part is already having on the planet (among others – intensification of heat waves and of extreme weather events, rising sea levels, thinning Arctic sea ice and continental glaciers) and the importance of keeping the rise of average temperatures under 2°C. The path to reach this goal requires timely interventions in all sectors of the economy and industry on a global scale and the Energy sector is one of the key factors to assure the planet's sustainability.
In June 2017, the Task Force on Climate-related Financial Disclosures (TCFD) published a series of recommendations on the reporting on risks and the related opportunities, also issued by the European Commission in the publication of June 2019. The TCFD guidelines require providing disclosure with respect to four broad topic areas: Governance; Strategy; Risk Management; Metrics & Targets.

In consideration of the above, the Group expressed observations regarding the main risks associated with climate change as well as the related possible impacts on the various corporate business areas. In the two-year period 2023/2024, the Group also conducted an internal study to quantitatively assess how climate change could impact the annual production of wind and solar assets. In particular, for wind assets, the analysis indicates that, in general, the risks of a decrease in average wind speed, particularly in the medium-term horizon (10-15 years), are relatively limited. Based on historical/statistical analyses of the percentage change in wind speed, low fluctuations in energy production can be expected, which can have both a positive (increasing output) and negative (reducing output) impact. However, fluctuations of this magnitude in the wind resource are already factored into the time series underlying the output estimates reflected in the Business Plan. With regard to solar assets, the analysis indicates that anthropogenic global warming is altering atmospheric circulation on a regional scale, impacting solar resources in various countries.
The uncertainties stem from both the models and future policies and their implementation. In general, in the short term, the average increase in solar radiation could be significant, and therefore, a very noticeable impact on solar energy production could be expected.
According to the Group's approach, the risks generated by Climate Change can mainly be attributed to the following:
- Change in the contributions from renewable sources (wind and sun) which may have impacts on ERG's business with consequences from an economic-financial point of view in the medium/long term deriving from possible lower output. In light of the uncertainties regarding the potential effects of a worsening of weather conditions in the areas in which ERG is present and the potential compensatory effects deriving from the Group's increasing geographical complementarity, it was not considered appropriate to reflect any negative effects in the medium-term (Market Plan) and long-term (impairment test) Business Plans.
- Catastrophic events referring in particular to "acute" and "chronic" physical phenomena linked to extreme natural events that could cause damage to generation plants, impacting Business Continuity. The "acute" phenomena category includes risks characterised by a remote probability of occurrence but a potentially catastrophic impact, including: fires; earthquakes, volcanic phenomena, hurricanes, tsunamis/floods; while the increase in average temperature, rise in sea level, reduction in

rainfall fall into the category of "chronic" events.
- Regulatory and market changes referring in particular to any changes in subsidies and incentives, change in the regulatory framework, uncertainty in the demand for electricity, increased competitive pressure.

The management strategy for these risks adopted by the Group provides for:

- the reduction of the impacts related to catastrophic events through Business Continuity Management processes (for the physical protection of assets) and Disaster Recovery Plans, in particular in the ICT field;
- technological diversification of renewable energy plants (e.g. Wind and Solar) and the geographical diversification of generation facilities, which reduce both the impact and the probability of the risk occurring;
- the planning of renewable plant shutdowns on the basis of periods of low utilisation of renewable sources, thus reducing their impact;
- the use of more accurate weather forecasting tools (Wind and Sun) to define generation plans and further improve Volume Risk Management strategies in the short term;
- the use of statistical risk analysis models, which make it possible to quantify the economic impacts over the life of the Plan;
- the transfer of risks to the insurance market. In particular, all extreme meteorological phenomena are covered (fires; earthquakes; volcanic phenomena; hurricanes; tsunamis/floods);
- the reduction of the impacts linked to the change in contributions from renewable sources, and regulatory and market changes mainly through geographical diversification which allows the Group to make the most of synergies in the areas in which its assets are located, and consequently to mitigate the impacts of the aforementioned risks.

It should also be noted that the Group uses management, prevention and protection strategies to reduce the possible impacts on the areas surrounding its assets. Furthermore, the assets most exposed to extreme weather events or natural disasters are regularly checked and maintained in order to ensure that they are in the best possible condition to cope with extreme weather events. All of the Group's production sites located in Italy are also subject to ISO environmental certifications and potential sources of risk are monitored so that any critical issues can be detected promptly.
In addition, over the years the Group has demonstrated its ability to anticipate radical changes in the context in which it operates, promptly modifying its growth strategy. Over the years, ERG has transformed from an operator in the refinement and distribution of fuels to a primary operator in Italy and Europe in the generation of electricity from renewable sources. ERG is committed, through its own targets of investment in "zero emission" green technologies and in particular in wind and in solar power, to providing its own contribution to the fight against climate change in line with the objectives of COP21 and the recent COP27.

New Capital Expenditure
This risk refers to uncertain events originating from various factors, for example, scenario-related (micro/macro-economic, political, regulatory, business), technical, operational, financial or organisational, which may impact the success and profitability of a new investment initiative.
Risks are mainly attributable to the impossibility of developing certain economic and financial forecasts over the period of the Plan or the life of a Project (in the event of a specific initiative), with resulting income statement or financial position losses, or worsening of the Group's image.
Some examples of risks that can be included in this type are: (i) the possibility that the envisaged Capex targets will not be achieved in the time and/or cost defined in the strategic plan due to changing market conditions with possible delivery delays due to difficulties procuring from strategic suppliers/sub-suppliers and requests for price adjustments on existing agreements; (ii) the possibility that the plan Opex will also undergo an increase; (iii) as a consequence of inflationary pressures and/or tensions on the financial and commodities markets, impairment issues, and more generally impairment of assets, linked in addition to the potential negative effects in terms of EBITDA, to the increase in returns requested by investors.
To minimise risk, in accordance with company policies, the ERG Group has defined specific structured processes for the selection of investments, providing for a series of subsequent levels of review and approval carried out on the basis, inter alia, of internal and external support studies, benchmark analyses, legal-regulatory analysis and financial assessment/planning models. For all relevant projects, the main risks are associated with:
- Potential impacts and strategy/measures to contain/eliminate risk;
- Items follow-up to monitor the mitigation processes.

Furthermore, the Group updates periodically the WACC/HR, including through benchmarks, to ensure an adequate return with respect to the expected risk profile.

Risks related to the Rating of the Parent Company ERG S.p.A.
Any downgrades by rating agencies could limit the possibility of accessing capital markets and raise the cost of funding with consequent negative effects on the Group's financial position, results of operations and cash flows.
ERG implements a risk mitigation strategy, which runs at different levels and involves pursuing: (i) a balanced financial structure in terms of duration and composition, (ii) continuous monitoring of actual and expected results and financial balances, (iii) the systematic generation of cash by its business activities including through the long-term securing of sales revenue and (iv) geographical and technological diversification of its plants.
In 2025, ERG's risk profile, as assessed by the Fitch rating agency, remains Investment Grade "BBB-" with stable outlook. In addition to strictly endogenous and market variables, ERG's rating is also linked to Italy's sovereign rating.

Reputational Risk
This risk relates to the potential effects deriving from a negative perception of the ERG Group's reputation, understood as expectations, perceptions and opinions developed over time by all stakeholders (customers, suppliers, investors, media, etc.).
Among the various factors that negatively affect reputation, some examples are: inconsistency between what has been achieved and the communicated targets and/or a misalignment between the performance and stakeholders' expectations; the dissemination of negative news, factual or otherwise, which may compromise trust, reliability and/or credibility.
The Group mitigates the risk of deterioration of its reputation among stakeholders, through:
- a structured ESG process that envisages a strategic ESG plan with measurable objectives and KPIs, social responsibility initiatives and the disclosure of the "Non-Financial Statement";
- continuous monitoring of stakeholders' perception of the ERG brand;
- Specific active communication and information relations with the main stakeholders;
- Constant monitoring of all communication channels;
- A Crisis Management process that, through a structured approach, makes it possible to promptly manage and contain the effects of crises to safeguard ERG's reputation.

FINANCIAL RISKS

Price Risk (Commodity Risk)
This risk is identified as the possibility that fluctuations in the purchase and sale price of Commodities will cause variations in the operating results such to compromise achievement of the objectives defined in the strategic plan.
In exercising its activities, the ERG Group is mainly exposed to fluctuations in Electricity prices for all generation plants for which the sale of electricity on the market is envisaged.
The ERG Group minimises the impact of the fluctuations in commodities prices through:

- An aggregate view by portfolio, which permits the allocation of risks where they can be more effectively managed, benefiting from the offsetting of positions with opposite signs;
- The definition of risk exposure limits and of an associated escalation process if the limits are exceeded, identifying the persons responsible for defining/authorising actions to return below the limits;
- The definition of processes and responsibilities for monitoring the exposure level using appropriate indicators (e.g., P@R, V@R, Stop Loss, Profit Taking, Open positions);
- The definition of minimum and maximum hedging quantities (Hedging Ratios) on electricity sales over the life of the plan;
- The use of derivative instruments to stabilise cash flows generated, contributing to guaranteeing the Group's economic and financial balance. The use of derivative instruments is authorised only if there is an underlying asset to pursue the reduction of the economic impacts tied to price volatility on the financial market and it is constantly monitored;
- The use of Power Purchase Agreements (PPAs) or multi-year contracts through which the supply of electricity between two parties is regulated: the seller, represented by the owner of plants for the production of energy from renewable sources, and the buyer, generally an energy wholesaler or production company; these contracts can be virtual contracts (VPPAs), i.e. financial contracts through which payment is exchanged on the delivery dates on the basis of the price defined in the contract for a variable price, without the physical transfer of the underlying electricity.
- Where possible, balancing of the purchase formulas (for example, for natural gas) with chargeback to end customers and/or transfer into sales agreements of the higher costs arising from fluctuations in prices, including specific clauses reducing emerging costs (e.g., linked to the profile).

Liquidity
This is the risk resulting from the lack of financial resources to meet both short-term and medium/long-term commercial and financial commitments. This risk considers the possibility that the company may not be able to meet its commitments (funding liquidity risk) or that it may only be able to do so at unfavourable economic conditions due to situations of tension or to the changed market perception of riskiness of the Group (or of one of its companies).
ERG mitigates the risk through the pursuit of a balanced financial structure in terms of duration and composition, constant monitoring of the financial balance and systematic generation of cash by its business activities. The Group's objective is to maintain the subject risk profile at extremely low levels through implementation of a financial planning process having the following objectives:

- Enabling the Group to be solvent both under normal conditions of conducting business and under crisis conditions, optimising the related opportunity cost;
- Ensuring an adequate level of operational elasticity, optimising the cost of funding in relation to the current and future market conditions; the Group uses a prudent approach in estimating the projected cash inflows and outflows, taking into account the impact assessments of various scenarios, including stress-based ones, which identify the risk factors that could alter the cash flows envisaged in the Financial Plan (e.g. changes in scenarios, postponements of disposals) and define and implement the relative mitigation measures;
- Maintaining a balance in terms of duration and composition of debt, also thanks to an operating structure based on assigned limits that undergo periodic revision and approval, and a second-level control structure, autonomous from the first, which verifies its functioning;
- Guaranteeing an adequate distribution of credit lines, cash deposits and the relative financial assets among the major Italian and international banks.

In order to ensure the efficient management of liquidity, treasury activities are centralised within the Parent Company, which meets the liquidity requirements of the Group primarily with cash flows generated by ordinary operations and with credit lines, where necessary, ensuring an appropriate management of liquidity. To pursue its risk mitigation objectives, the ERG Group's stock of financial assets is used in short-term financial instruments that are highly liquid, preferring a very limited risk profile. Short selling is not permitted under any circumstances.

Commercial Credit Risk
This is the risk of unexpected changes in the creditworthiness of a counterparty with respect to which there is an exposure that could have negative consequences in terms of income and capital. The objective of the Group is to maintain the risk profile at extremely low levels, through the preliminary evaluation of creditworthiness of the counterparties and the adoption, where deemed necessary, of risk mitigation tools, such as the acquisition of guarantees.
In particular, in pursuing its commercial and business objectives, ERG minimises the credit risk profile, through:

- The definition of risk exposure limits at Group level and of any risk mitigation tools (e.g. Bank Guarantees/Sureties/Letters of Patronage) to ensure that the risk profile is aligned with the Group's requirements;
- A structured, active management process for credit, in which specific Organisational Units and a Credit Committee:
  - Assess the creditworthiness of each individual commercial counterparty in terms of Rating, Credit Limit and Probability of Default and assign to them specific levels of reliability in terms of maximum exposure (so-called credit limit);
  - Analyse the risk profile of the portfolio and the levels of exposure to counterparties in terms of credit limit granted and sales;
  - Conduct ageing analyses and constant monitoring of the overall exposure and of the exposure by counterparty, evaluating the definition and implementation of specific corrective measures.

Moreover, the Group has defined the types of guarantees that may be accepted in the case of credit to counterparties with an unsatisfactory economic/financial assessment and the financial institutes (banks and insurance companies) qualified to issue such guarantees.

Credit Risk towards Financial Counterparties
This is the risk that unexpected changes in the creditworthiness of a financial counterparty to which an exposure exists (e.g., cash deposits) could cause consequent negative economic/equity impacts and damage to the company's image. The Group's objective is to find the right balance between the return on financial investments and minimise the relative counterparty risk, through:

- Dealing with counterparties with Investment Grade Public Rating or, in the absence thereof, a specific authorisation by the CEO with the input of the Risk Committee;
- Risk diversification strategies (e.g., by depositing liquidity in various banks and/or using investment funds) as per the guidelines of the Risk Committee;
- Verification that each financial counterparty is not on any national and/or international Black List;
- Constant monitoring of the standing of counterparties and an escalation process in case of negative events and/or worsening of the risk profile.

At Group level, a structured process is in force, entailing:

- The autonomy of Finance in depositing cash up to 12 months at banks with an Investment Grade Rating (at least one Investment Grade Rating by S&P, Moody's and Fitch);
- An authorisation process (involving the Risk Committee) for uses of cash over 12 months or at banks with a rating below Investment Grade.

Interest Rate Risk
This is the risk that an unexpected change in interest rates may entail a change in the value of financial positions and of the related level of expenses. In this sense, changes in market rates can have negative impacts on the level of financial expense, such as to compromise the financial stability of the Group and its capital adequacy. The ERG Group mitigates this risk by:
- Seeking and finding financial resources at the best conditions offered by the market, in compliance with the restrictions set by the Risk Committee, including through the use of the bond market which makes it possible to contain the risk through the issue of fixed-rate bonds with medium/long-term maturities;
- Regularly monitoring the level of exposure to risk and compliance with the restrictions set by the Risk Committee;
- Using derivative instruments (e.g. IRS, Interest Rate Swaps), authorised exclusively in view of the existence of an underlying asset;

Pursuing the following objectives:
- Identifying the optimum combination of fixed and floating rates;
- Optimising the Group's cost of debt within the risk limits assigned by the Chief Executive Officer, whose decision is supported by the input of the Risk Committee, and made in line with the business nature;
- Reducing the possible economic impacts tied to rate volatility on the financial market.

Currency Risk
Changes in the exchange rates of the foreign currencies with which the Group operates may impact:
- Profits, as a result of (i) the different percentage of costs and revenue expressed in a foreign currency with respect to when the price conditions were defined (economic risk); (ii) the translation of trade receivables or payables or financial assets or liabilities denominated in a foreign currency (transaction risk);
- On the consolidated financial statements (profit and equity) by effect of the conversion of assets and liabilities of companies that prepare their financial statements in another currency (translation risk).

The ERG Group adopts a currency risk management strategy based on:
- The acceptance of currency risk, without prejudice to the possible mitigation actions referred to in the following points, in consideration of the reduced exposure that the ERG Group has at the date of approval of this policy. For the purposes of this policy, a level of exposure understood as EBITDA@Risk, calculated at the 95th percentile, higher than 5% of the Group's EBITDA, is considered a warning signal to be submitted to the Risk Committee.
- The review or confirmation at least once a year of the adequacy of the aforementioned currency risk acceptance strategy in light of developments in Wind/Solar technology and/or changes in the macroeconomic scenario.
- The definition of processes and responsibilities for the regular monitoring of the EBITDA@Risk of Foreign Operations in currencies other than the functional currency for the ERG Group, taken individually and in aggregate.
- Where possible, the pursuit of a balance between assets and liabilities expressed in foreign currencies, thereby minimising net exposure, and financing capital expenditures at M/L term in the local currency, the profitability and cash flows of which are mainly expressed in said currency.
- The definition of processes and responsibilities for the approval of any measures to mitigate the level of risk if the periodic monitoring, the annual risk budget or the approval of a strategic investment suggest their implementation. As for monitoring, any mitigation actions must be assessed on the basis of their impact in a consolidated view of the Group and not of the individual subsidiary, subject to exceptions related to specific situations (e.g. financial covenants to be met, loans in foreign currency during the construction phase, commitments under loan agreements) and approved by the Chief Executive Officer;
- The use of financial instruments for risk hedging, authorised by the Chief Executive Officer after consulting the Risk Committee, exclusively in the event of the existence of an underlying asset and if they come under the following:
  - Spot transactions;
  - Currency swaps;
  - Outright forwards;
  - NDF (non-deliverable forwards);
  - Currency futures;
  - Currency options.
- The repatriation, as soon as possible, of the net cash generated in foreign currency by Foreign Operations, within the limits of the liquidity necessary to support their operations, in compliance with the contractual restrictions of project financing and consistently with the expiration dates of any hedging derivatives that may have been approved.

Disputes
This risk refers to the possibility that one of the companies of the ERG Group (or its employees) may be involved in civil and/or administrative and/or tax proceedings and/or in legal actions deriving from potential violations of laws or regulations, from contractual or extra-contractual liability or from other controversies (e.g., labour disputes), which could result in damages or sanctions, or damage the Group's reputation. The risk refers also to the possibility that a Group company may impugn an act or a measure harming its own interests, promulgated by institutions or administrative bodies or by independent authorities.
The ERG Group implements a risk mitigation strategy which involves:
- The oversight, delegated to specific corporate departments, of the reference legislation (legal, tax, etc.);
- Management of the pre-litigation phase with the support of specialists in the legal and tax areas;
- Management of litigation by outside law firms of high standing, experienced in the specific matters;
- Constantly monitoring the evolution of ongoing litigation and assessing the probability of loss; for risks for which loss is deemed likely, an estimate of the economic impact is made, which takes into consideration all possible consequences and a provision is allocated in the financial statements;
- Preparation and submission of periodic reports providing updates on the disputes, also through 231 flows to the Supervisory Bodies.

In the event of extraordinary transactions (e.g. acquisition of companies, establishment of JVs), specific Due Diligences (e.g., legal, tax) are conducted in order to mitigate the risk of disputes and, if considered appropriate, the counterparty is asked to provide the specific guarantees outlined in the contractual agreements governing the transaction.
With regard to the issuance of acts or measures that are harmful to its interests, risk is mitigated through:
- Regular and correct management, coordinated at Group level, of direct relations, or through trade associations, with Institutional Stakeholders at the local, national and international level;
- Participation in preparation of the acts or measures (including consultation procedures);
- Any appeal before the competent authorities against the acts or measures considered to be detrimental.

The strategies for managing this risk are implemented in accordance with corporate policies.

OPERATIONAL RISKS

Health, Safety and Environment (HSE) Risk
The Risk is mainly linked to the operation of industrial assets that have an impact on the health and safety of workers and on environmental topics:

- Health risks are those that can potentially impact and compromise the natural equilibrium of the personnel tasked with performing operations or work, following the emission of environmental risk factors, of a chemical, physical and biological nature, into the environment. Safety risks relate to the occurrence of accidents or injuries, or of physical harm or impairment (more or less serious) suffered by persons performing the various work activities.
- Environmental risks are connected with the possible occurrence of events that cause an alteration of the physical-chemical parameters characterising the environmental matrices (such as: water, air and soil), with negative consequences on the natural habitat and/or on the persons' health.

The ERG Group, which is strongly committed to mitigating such risks, has adopted specific Health, Safety and Environment guidelines which, in line with reference international best practices, require that all the Group's Companies:

- adopt principles and behaviours defined in specific sustainability guidelines that require all Group companies to comply with all regulations in force;
- adopt guidelines for the assessment of health and safety risks capable of upholding both the principle of prevention and compliance with the legal obligations of the responsible parties, first and foremost the Employers of the ERG group;
- pursue specific performance objectives, ongoing training of personnel and the certification of specific integrated Health & Safety management systems based on international reference standards;
- have a system of sanctions for behaviours that may endanger the safety and health of all personnel, whether internal or external, who carry out their activities within the Group's plants/ areas of responsibility;
- stipulate specific insurance policies for the transfer of risks to cover accidents to personnel and/or any civil liability related to accidents.

The ERG Group monitors and manages risk through the following non-exhaustive list of analyses and tools:

- Information, education and training of human resources (employees and non-employee on-site workers) on the environment, health and safety;
- Implementation of health and safety management systems certified according to international standards, for the purpose of preventing the related risks (ISO 45001);
- Assessment of risk factors in terms of health and safety with the issue of specific assessment documents that explain the risk levels, resulting from the analysis carried out and the application of suitable prevention and protection measures;
- Processing of preventive measures and related control systems;
- Control and supervision of Health & Safety topics.

Information & Communication Technology risks
ICT risk management is based on safeguarding the three core principles of information security: **availability, confidentiality** and **integrity** of data and digital services. Availability ensures that systems are operational when required; confidentiality guarantees that information is accessible only to authorised parties; and integrity protects data from unauthorised alteration. Risk identification, assessment and mitigation activities are structured around these three pillars to address threats that may impact business processes.
The organisation has adopted ICT processes aligned with **ISO/IEC 27001** and **ISO/IEC 27019** standards. In 2024, an **official certification issued by an accredited body** was obtained, attesting to the robustness of the information security management system. This certification does not represent a static milestone, but rather the beginning of a **progressive expansion** process, both in terms of the depth of **business processes** included within the scope and the **geographical coverage of assets**. The objective is to gradually extend the certified perimeter to encompass additional operational functions, infrastructures, sites and systems, thereby ensuring an increasingly consistent and mature level of protection across the entire value chain.
Risk management effectiveness is further strengthened by a **cyber security awareness** programme addressed to all personnel. The programme includes periodic training initiatives, awareness campaigns, phishing simulations and updates on emerging threat scenarios, with the aim of fostering a security-conscious culture and reducing risks linked to inadvertent behaviour.
ICT risk management entails ongoing threat analysis, vulnerability assessments and the definition of mitigation measures, supported by technical controls such as network segmentation, redundant architectures, backup and replication systems, EDR and SIEM solutions, structured patch management processes and access controls based on the principle of least privilege. Business continuity is ensured through regularly updated **Business Continuit**y and **Disaster Recovery** plans, which are subject to periodic testing to verify their effectiveness and timeliness.
Another critical element concerns the management of suppliers and outsourced ICT services. The organisation applies formal processes for supplier evaluation, onboarding and monitoring, with particular focus on cloud services and those involving sensitive data or impacting critical processes. SLAs, security audits and contractual clauses contribute to appropriately managing third-party risks.
In addition to technical, organisational and procedural measures, the company has for several years **mitigated part of the residual risk through a dedicated cyber risk insurance policy**. In accordance with the applicable terms and conditions, this policy supports the management of financial impacts arising from significant incidents, covering response and recovery costs, crisis management, third-party liability and reputational damage. While not replacing internal security measures, insurance provides an additional layer of resilience.
Finally, the company is engaged in a compliance programme aimed at aligning with the requirements of the **NIS2 Directive**, involving the strengthening of the security management system, the review of implemented controls, the formalisation of incident reporting processes and the introduction of additional governance measures and cooperation with the competent authorities.

Continuity of service
This risk is connected to the occurrence of natural, accidental or catastrophic events (i.e. earthquakes, floods, fires, etc.), with negative consequences in terms of revenue or of preservation of corporate assets, such as to significantly undermine the Group's operations and balance.
As regards the risks of plant unavailability, the ERG Group mitigates these risks through:

- Plant management policies aimed at pursuing high levels of safety and operating excellence, in line with the best industrial practices;
- The adoption and constant updating, in line with sector best practices, of scheduled maintenance procedures, both ordinary and preventive, to identify and prevent potential critical issues, also based on specific engineering analyses conducted by specialised personnel;
- Periodic revision of the plants and the use of control and remote control instruments in order to monitor technical parameters and promptly detect any potential anomalies as well as, where possible, the use of component redundancy to ensure the continuity of productive processes;
- Ongoing specialised training courses for technical personnel working on the plants.

ICT solutions are also expected to be adopted to identify technical problems, aimed at allowing a predictive approach for

planning maintenance operations in order to limit outages for accidental breakdowns.
As regards production processes, particular attention is paid to the prevention and control of the related risks, through the implementation of risk assessments, business impact analyses and a business continuity management activity.
The ERG Group uses the insurance market to cover natural and catastrophic risks and to transfer its own industrial risks, thereby guaranteeing a high level of protection, including with regard to the interruption of activities; the contractual conditions of these insurance policies are revised periodically.

Human Capital
This is defined as the risk that the global rewarding systems present in the Group (formed by fixed and variable components and benefits) may be inconsistent with respect to the persons' motivation or to the market benchmarks, with a resulting economic impact for the Group caused by the loss of key professionals and/or professionals deemed strategic.
The Group mitigates this risk by developing remuneration strategies and policies based on weighting and matching positions, aligned with market benchmarks, in order to ensure the effectiveness of the rewarding components (monetary and otherwise). In particular, the Group uses differentiated retention instruments according to the level of strategic relevance and seniority of its personnel, in line with company policies. From this perspective, the fixed component of remuneration assures retention through continuous market benchmarks, while the variable component assures the alignment between corporate objectives and individual interests by awarding bonuses upon attaining long-term objectives (LTI) and short-term objectives (MBO).

This risk is the possible negative impact deriving from an inappropriate management of individual and collective relations with employees, which generates potential internal and/or external conflicts and compromises the attainment of the business objectives.
Relations with employees, deriving from the employment agreement, are assured, both individually and collectively, through compliance with labour laws and regulations and with international standards pertaining to human rights, diversity and equal opportunity and the establishment of a business culture centred on:
- continuous relations with the Workers' Representative Organisations at national and local level;
- employees' participation in business objectives;
- second level negotiation activities.

Procurement and Supply Chain
This risk is identified as the possibility that the Group will incur losses or higher costs, reputation damage or interruption in business continuity, at least in the short term, as a result of the loss of a strategic supplier (e.g. going out of business, bankruptcy). ERG minimises the risk through:
- the development of a supplier selection and qualification process (economic/financial, technical and HSE) according to defined parameters and criteria, through the use of tenders with the identification of a minimum number of suppliers, assuring structured rotation whenever possible;
- the maximisation of the use of economic tenders for the procurement of goods and/or services with the identification of a minimum number of suppliers, guaranteeing, where possible, structured rotation of the suppliers themselves;
- the definition of a cumulative purchase threshold with reference to a single supplier;
- the identification of specific Organisational Units responsible, in particular, for selecting and monitoring the performance of suppliers;
- the development of specific internal contracts with safeguard clauses;
- specific activities for the monitoring and control of the purchasing processes, aimed at ensuring compliance with the quality parameters and concentration of orders as defined in Group procedures.

It should also be noted that, over recent months, there has been a general increase in the prices of all major commodities, driven in particular by persistent geopolitical fragility linked to the ongoing conflict in Ukraine, as well as recent developments in the Middle East, Venezuela and Greenland, not to mention the adverse impact of US tariff policies, which have increased the cost of international trade. There is also continued significant tension in logistics, and the price of products (e.g. turbines, solar panels) is rising due to the impact of tensions on the raw materials markets.

COMPLIANCE RISKS

Risk of violation of Anti-Corruption Regulations
This risk pertains to the possibility that an employee and/or a Group Company may be involved in a proceeding for offences committed in violation of current anti-corruption regulations.
ERG condemns all corrupt practices with the utmost rigour and without exception. To prevent corruption offences, the Group has adopted a system of rules and controls defined in relation to the national and international regulatory context in which it operates.
For all Group companies:
- A system of behavioural rules adopted by group companies (Code of Ethics, 231 Model and Anti-corruption Policy) has been defined, which all employees are required to comply with in carrying out their activities and which prohibit any form of corruption, active or passive, involving not only public officials but private parties as well;
- Responsibilities and specific spending powers (authorisation and signature) are defined and assigned in order to limit the possibility that a single person may complete an entire process autonomously;
- Specific employee training programmes are defined and implemented, to enhance their knowledge, on one hand, of the regulatory anti-corruption framework (and the relative sanctions system), and on the other hand the behavioural rules adopted by the Group (e.g. Code of Ethics, 231 Models and Anti-Corruption Policy); these activities also involve the Directors;
- There is an ongoing process, overseen by the Supervisory Bodies under Italian Legislative Decree no. 231/01, for the management of the reports of behaviour contrary to the principles of the Code of Ethics and of the 231 Models; this process, with reference to possible violations of the Anti-corruption Policy, is overseen by "231 Compliance";
- A "Significant Third Party" verification process is defined, through which the corruption risk related to the establishment of a contractual relationship is assessed in concrete terms, identifying, where necessary, the appropriate risk mitigation and management measures;
- Specific third-level controls are carried out by Internal Audit with regard to compliance with the principles set out in the Code of Ethics, the 231 Models and the Anti-corruption Policy.

Country Risk

This is the risk of possible changes in the political, legislative, economic and/or social framework of a country that may have negative impacts on operations, income statement results and/or the financial equilibrium. Some examples are: (i) the lack of a stable legal framework and uncertainties about the protection of the rights of foreign operators in case of contractual breaches by state agencies or other private parties; (ii) the penalising enforcement of laws or unilateral contractual changes entailing the reduction of the assets' values; (iii) increases in taxes; (iv) complex authorisation processes that impact the time-to-market of development projects; (v) delays, revisions or non-compliance with targets for combating climate change with the consequent reduction of investments in renewable energies, including in infrastructure supporting the development of the renewable generation (e.g., transmission and distribution networks).

In particular, the ERG Group implements a mitigation strategy that provides for:

- Not assuming risk and hence not executing investments in countries with political/social instability that makes them unsuitable to the risk profile the Group intends to assume;
- Mitigating risk in countries where there is considerable interest in making new investments, requiring an adequate return in relation to the expected risk profile. This assessment is carried out by analysing the main indicators of the country in question (e.g. macroeconomic and financial indicators).

The mitigation of risk also involves the creation, development and maintenance of relations with key institutions and stakeholders, in order to understand the political, institutional and regulatory scenario of the country of interest for the Group and its possible impacts on the business. The assessment of whether or not to invest in a country also takes into account that country's endorsement to international treaties for combating climate change and/or the objectives that country has set itself to combat Climate Change (e.g. renewable energy penetration targets).

GOVERNANCE

ERG carries out its activity in compliance with the highest Corporate Governance standards, constantly applying the principles of integrity, impartiality and transparency.
With the objective of assuring these principles at all times in company life, the Group implemented a Governance System and an Internal Audit and Risk Management System that not only complies with current legal and regulatory provisions, but is also aligned with domestic and international best practices and, in particular, with the recommendations of the Corporate Governance Code for Listed Companies promoted by Borsa Italiana S.p.A. (the "Code").
The elements that constitute Corporate Governance are the **statutory bodies**, the **board committees** and the **corporate governance documents** that regulate their operation[16].

The **Board of Directors**, appointed by the Shareholders' Meeting of 23 April 2024[17], comprises 12 members – 5 of whom are independent[18] (one elected by the non-controlling investors) – in compliance with the gender balance criterion[19]; the mandate of the Board of Directors will expire on the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2026.

In compliance with the provisions of the Code, the **Nominations and Remuneration Committee** appointed by the Board of Directors on 23 April 2024 is composed of three independent directors, all belonging to the less represented gender on the Board of Directors, and has the task, among other things, of formulating proposals to the Board itself for the remuneration of Directors with delegated powers or serving in particular offices and formulating opinions to the Chief Executive Officer for the definition of remuneration policies and incentive plans for Key managers and the senior management of the Group.

ERG has adopted a **Remuneration Policy** for the members of the Board of Directors and key managers in line with the provisions of the Code, aimed at encouraging the pursuit of sustainable success through the creation of long-term value for the benefit of shareholders, taking into account the interests of other relevant stakeholders[20].

The **Control, Risk and Sustainability Committee** appointed by the Board of Directors on 23 April 2024 comprises, in accordance with the Code, three independent directors, all of the less represented gender in the Board of Directors, and its task is to support the assessments and the decisions of the Board of Directors relating, inter alia, to the internal control and risk management system and to the approval of the periodic financial reports, of the consolidated sustainability report and of the ESG Plan.

ERG deems correct **risk management and mitigation** within the Group to have fundamental importance and therefore it has defined a policy directed at defining the rules and attributing the related responsibilities.
With particular reference to financial and market risks, the Group strengthened the **Risk Committee** some time ago; this is an internal committee comprising the Chief Executive Officer and Senior Manager, tasked with supporting the Chief Executive Officer in the definition of strategies and policies for the management of financial and market risks and in the process of (i) authorisation of said risks management operations, (ii) monitoring the implementation of major operations and (iii) checking their relative effects; for this purpose, the Company has formalised a multi-year hedging policy, identifying minimum and maximum limits to the hedges that are periodically monitored in terms of execution and performance.

16 For detailed information, please refer to the section "Report on corporate governance and ownership" and to the "Consolidated non-financial statement" relating to 2024 available on the Company's website (www.erg.eu).

17 On 12 December 2025, in relation to Luca Bettonte's resignation from his position as Director of ERG S.p.A. and member of the Strategy Committee, the Board of Directors of ERG S.p.A., with the support of the Nomination and Remuneration Committee, pursuant to Article 2386 of the Italian Civil Code and Article 15 of the Articles of Incorporation, appointed Paolo Arlandini as the new non-executive Director of the company and member of the Strategic Committee, who will remain in office until the next Shareholders' Meeting of ERG S.p.A.

18 Both with reference to the provisions of Art. 148, third paragraph, of the TUF, and the provisions of Art. 2, recommendation 7, of the Code. In its meetings on 23 April 2024 and 15 May 2024, the Board of Directors confirmed its positive assessment of the independence of the aforementioned Directors, also taking into account, pursuant to the provisions of Article 2, Recommendation 7, second paragraph, of the Corporate Governance Code, the "quantitative" and "qualitative" criteria defined in the Regulations for the operations of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee.

19 Pursuant to Art. 147-ter, paragraph 1-ter, of the TUF, as amended by Italian Law no. 160 of 27 December 2019, at least two fifths of the Directors elected were reserved to the less represented gender.

20 For more detailed information, please refer to the Report on the remuneration policy and the fees paid.

ERG has established a very rigid **system for controlling and assessing investments** (both in terms of M&A and of organic growth), in order to respect the set profitability parameters. In this context, the following perform a central role:

- **the Investment Committee**, an internal committee comprising the Chief Executive Officer and the Senior Manager, tasked with providing support in the assessment of investment proposals by the Group and expressing a technical and economic-financial opinion for the Strategic Committee on each investment proposal;
- **the Strategic Committee**, a committee within the board appointed by the Board of Directors on 23 April 2024[21], comprising the Executive Deputy Chairman – Chairman of the Committee – the Non-executive Deputy Chairman, the Chief Executive Officer, four Directors (one independent[22] and three non-executive) with the task, inter alia, of providing support to the Chief Executive Officer and the Executive Deputy Chairman for the definition of strategic business and portfolio guidelines, as well as the half-yearly review of threshold rates, and guidelines and policies on strategic finance and for individual extraordinary financial transactions. Moreover, pursuant to the provisions of Art. 1, lett. a) of the Code, the Committee also examines the long-term strategic plans and capital expenditure budgets of the Group, and the strategic benefits of significant investments and transactions effected at Group level, as well as the consistency of economic and financial returns with respect to the threshold rates, and comments on the need to involve the Board of Directors, in accordance with the provisions of Group Investment Guidelines.

21 On 12 December 2025, in relation to Luca Bettonte's resignation from his position as Director of ERG S.p.A. and member of the Strategy Committee, the Board of Directors of ERG S.p.A., with the support of the Nomination and Remuneration Committee, pursuant to Article 2386 of the Italian Civil Code and Article 15 of the Articles of Incorporation, appointed Paolo Arlandini as the new non-executive Director of the company and member of the Strategic Committee, who will remain in office until the next Shareholders' Meeting of ERG S.p.A. scheduled for 22 April 2026.

22 Both with reference to the provisions of Art. 148, third paragraph, of the TUF, and the provisions of Art. 2, recommendation 7, of the Code.

FINANCIAL STATEMENTS AND OTHER INFORMATION

INCOME STATEMENT

This section presents both the reported financial results, calculated on the basis of the figures disclosed in the Notes to the Consolidated Financial Statements — where the accounting results relating to the Swedish asset, which was in the process of disposal at the Reporting Date, are presented separately in accordance with the requirements of IFRS 5 — and the adjusted financial results, shown excluding special items and including the results of the Swedish asset under disposal at the Reporting Date, which made a full economic contribution in 2025[23]. The reported 2024 comparative figure was restated by indicating the contribution of the Swedish asset under the item "Net profit (loss) from assets held for sale" in order to facilitate an understanding of the performance of the two periods.

For the definition of indicators, the composition of the financial statements and the reconciliation of the amounts involved, reference is made to that indicated in the Alternative Performance Indicators section below.

(EUR million)		Reported Year 2025	Reported Year 2024	Δ	Adjusted Year 2025	Adjusted Year 2024	Δ
INCOME STATEMENT							
Revenue	1	744	733	*11*	752	738	*14*
Other income	2	51	52	*(1)*	50	51	*(1)*
Total revenue		**795**	**785**	***10***	**803**	**789**	***14***
Purchases and change in inventories	3	(9)	(10)	*1*	(9)	(10)	*1*
Services and other operating costs	4	(200)	(192)	*(7)*	(194)	(186)	*(8)*
Personnel expense		(60)	(58)	*(2)*	(60)	(58)	*(2)*
Gross operating profit		**526**	**525**	***1***	**540**	**535**	***5***
Amortisation, depreciation and impairment of non-current assets	5	(354)	(273)	*(81)*	(276)	(263)	*(13)*
Operating profit		**172**	**252**	***(79)***	**263**	**271**	***(8)***
Net financial income (expense)	6	(45)	(22)	*(23)*	(50)	(27)	*(22)*
Net gains (losses) on equity investments		4	(3)	*7*	(0)	(0)	*(0)*
Profit before taxes		**131**	**226**	***(95)***	**214**	**244**	***(30)***
Income taxes	7	(33)	(34)	*1*	(53)	(66)	*14*
Profit from continuing operations		**97**	**192**	***(95)***	**161**	**178**	***(17)***
Non-controlling interests		(5)	(3)	*(3)*	(5)	(3)	*(3)*
Profit from continuing operations attributable to the owners of the parent		**92**	**189**	***(97)***	**155**	**175**	***(20)***
Profit (loss) from assets held for sale	8	(27)	(2)	*(25)*	0	0	*0*
Profit attributable to owners of the parent		**65**	**187**	***(122)***	**155**	**175**	***(20)***

1 - REVENUE

Revenue from sales consists mainly of:

- sales of electricity produced by wind farms and solar installations. The electricity is sold on wholesale channels, and to customers via bilateral agreements. Specifically, electricity sold wholesale includes sales on the IPEX electricity exchange, both on the "day-ahead market" (MGP) and on the "intraday market" (MI), in addition to sales to the main operators of the sector on the "over the counter" (OTC) platform and Power Purchase Agreements (PPAs), long-term energy sale contracts at pre-established prices, currently active in the wind sector in Italy, France, the United Kingdom, Spain and the United States;
- incentives related to the output of wind farms and solar installations in operation.

Reported revenue for 2025 amounted to EUR 744 million, up compared to 2024 (EUR 733 million), mainly due to the contribution of the new capacity progressively installed between 2024 and 2025 and higher prices captured, largely offset by significantly lower than average wind speeds in Europe and a scenario of falling prices starting in the second half of 2025.

23 In 2025, the gross operating profit of the Swedish wind asset included in "Assets held for sale" amounted to EUR 5 million (EUR -27 million on the net profit (loss), including the write-down of the asset for EUR -26 million in application of IFRS 5).

2 - OTHER INCOME

This item includes insurance reimbursements, indemnities and expense recoveries.
It should be noted that during the financial year, a partial release of provisions for risks (EUR 4 million) was made, recorded in relation to certain acquisitions made in previous periods, as well as the release of provisions relating to potential charges in Eastern Europe (EUR 4 million), for which the requirements that originally led to their recording no longer exist.
Furthermore, starting from the second quarter of 2024, this item also includes income from PTC (Production Tax Credit) provided for in Tax Equity Partnership agreements, a typical incentive tool in the US renewable energy market, amounting to EUR 25 million in 2025 (EUR 18.5 million in the comparative period).
It should be noted that the comparative reported figure for 2024 included the capital gain realised on the sale of works of art to a related party of ERG S.p.A. at market value recorded in the fixed assets of the holding company ERG S.p.A. amounting to EUR 4 million.

3 - PURCHASES AND CHANGES IN INVENTORIES

The item includes costs for purchases of raw materials and spare parts net of changes in spare parts inventories.

4 - SERVICES AND OTHER OPERATING COSTS

Services include maintenance costs, costs for agreements with local authorities, for consulting services, insurance and for services rendered by third parties.
Other operating costs mainly relate to rent, lease payments, provisions for risks and charges and to taxes other than income taxes.

The adjusted figures for 2025 do not include:
- the ancillary costs relating to non-recurring transactions equal to approximately EUR 3 million;
- allocations to the provisions for Disposed Businesses of approximately EUR 6 million.

5 - AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

Adjusted depreciation and amortisation (EUR 276 million), up compared to 2024 (EUR 263 million), refer to wind and photovoltaic plants.
The increase in the year reflects the full contribution of the new assets acquired (EUR 9 million) and developed internally (EUR 7 million), only partially offset by the end of the useful life of some components of the wind farms (EUR 3 million).
It should be noted that the adjusted figures do not include:
- the impairment loss on photovoltaic plants in Spain as part impairment testing procedures, amounting to EUR 59 million;
- the impairment losses on the net residual values of property, plant and equipment and intangible assets of wind farms in Italy, France and Germany, following the authorisations obtained during the year for repowering projects, amounting to EUR 18 million;
- the impairment of the net residual values of property, plant and equipment and intangible assets related to revamping projects in the Italian solar portfolio, amounting to EUR 3 million;
- the impairment on intangible assets related to development projects in Germany amounting to approximately EUR 1 million.

The item includes IFRS 16 amortisation and depreciation of EUR 10.2 million in 2025 (EUR 9.6 million in 2024)..

6 - NET FINANCIAL INCOME (EXPENSE)

Adjusted net financial expense for 2025 amounted to EUR 50 million, up from EUR 22 million in 2024, which benefited from particularly high short-term remuneration on operating liquidity and liquidity earmarked for the repayment of the bond issued in 2019 (maturing in April 2025), given the phase of the monetary policy cycle. The effects of the increase also include the refinancing of the same bond maturing during the year at a higher coupon, although the yield differential was significantly mitigated by pre-hedging transactions entered into in 2020 at rates that were extremely competitive compared to those in force at the date of issue (July 2024).
The difference compared to the previous year is also attributable to lower capitalised financial expenses, the accounting of the Tax Equity Partnership of the US portfolio and the impact of the application of IFRS 16 on acquisitions during the period and on new farms developed internally.
The weighted average cost of non-current liabilities in 2025 stood at 1.8% compared to 1.6% in 2024.
The adjusted values for 2025 do not include net income from the early repayment of two project financing agreements and the related derivative instruments used to hedge against interest rate fluctuations.

7 - INCOME TAXES

Reported income taxes amounted to EUR 33 million, in line with EUR 34 million in 2024. It should be noted that taxes for the 2024 financial year included the benefit deriving from aligning the carrying amount of goodwill with the related tax basis of goodwill in the context of merger transactions[24] (amounting to EUR 28 million).

Adjusted income taxes totalled EUR 53 million, down compared to EUR 66 million in 2024, mainly due to the operating profit commented on above. The adjusted figures for 2024 did not include the aforementioned benefit from aligning the carrying amount of goodwill with the related tax basis.
The adjusted tax rate, obtained from the ratio between income taxes and pre-tax profit, amounted to 25% (27% in 2024).

In February 2026, the Italian government introduced an urgent measure to support households and businesses in reducing energy costs.
The Italian Decree Law no. 21/2026 (Energy/Bills Decree Law) has provided for an increase in IRAP for the energy sector: from the tax period following 31 December 2025, for the 2026 and 2027 tax periods (with effect on the payment of advance payments in 2026), the rate is increased by two percentage points, covering activities relating to the generation, transmission and distribution of electricity. From the initial analyses of the measures introduced, an impact on the payment of advances in 2026 is estimated for the Group of EUR 5 million higher IRAP.

8 - PROFIT (LOSS) FROM ASSETS HELD FOR SALE

The reported profit (loss) from assets held for sale includes the contribution of the wind asset in Sweden (EUR -1 million), which was sold on 20 January 2026, as well as the impairment loss on the asset (EUR -26 million) recognised in accordance with IFRS 5. The impairment loss was isolated as a special item.
The comparative figure was restated consistently with 2025, including the loss contribution of the wind asset in Sweden (EUR -2 million).

24 Pursuant to Art. 15 of Italian Decree Law no. 185/2008.

STATEMENT OF FINANCIAL POSITION

The reclassified statement of financial position contains the assets and liabilities of the mandatory financial statements, used in the preparation of the Annual Report, highlighting the **uses** of resources in non-current assets and in working capital and the related funding **sources**. For the definition of the indicators for the main items used in the Reclassified Statement of Financial Position, reference is made to that indicated in the "Alternative Performance Indicators" section below.
It should be noted that, in application of IFRS 5, the equity contribution of the wind farm located in Sweden and sold on 20 January 2026[25] has been reclassified under "Net invested capital of assets held for sale".

Reclassified Statement of Financial Position

(EUR million)		*of which discontinued operations*	31/12/2025	31/12/2024
Non-current assets	1	(74)	4,642	4,841
Net operating working capital	2	(0)	84	34
Employee benefits		-	(3)	(3)
Other assets	3	(14)	300	246
Other liabilities	4	19	(859)	(873)
Net invested capital		**(70)**	**4,165**	**4,246**
Net invested capital of assets held for sale		**70**		
Net invested capital			**4,165**	**4,246**
Equity attributable to owners of the parent			1,980	2,147
Non-controlling interests	5		65	76
Net financial indebtedness before IFRS 16	6	**10**	**1,882**	**1,793**
Lease liabilities	6	3	237	229
Net financial indebtedness after IFRS 16	6	**13**	**2,119**	**2,023**
Equity and financial indebtedness			**4,165**	**4,246**

1 - Non-current assets

(EUR million)	Intangible assets	Property, plant and equipment	Financial assets	Total
Non-current assets at 31/12/2024	**1,580**	**3,212**	**49**	**4,841**
Capital expenditure	6	157	0	**163**
Change in consolidation scope	21	75	0	**96**
Other changes and divestments	(31)	(68)	2	**(96)**
Amortisation and depreciation	(93)	(204)	0	**(297)**
Impairment losses	(69)	(12)	0	**(81)**
Change in Right-of-use assets	0	17	0	**17**
Non-current assets at 31/12/2025	**1,413**	**3,178**	**52**	**4,642**
IFRS 5 Reclassification	(2)	(71)	(0)	**(74)**

The line item **Capital expenditure** refers to **investments in property, plant and equipment and intangible assets** mainly related to the acquisition of a wind farm in the United Kingdom (43 MW), the start of repowering activities on two wind farms in Italy (141 MW of new capacity, 71 MW differential), the construction of wind farms in the UK (47 MW), Germany (28 MW) and France (18 MW), the first repowering work on a French wind farm (23 MW) and the implementation of the first storage project in Italy (12.5 MW).

The **Change in consolidation scope** row refers to the impact of the acquisition of wind assets in the United Kingdom (43 MW) in the first quarter of 2025.

The line **Impairment losses** refers to the effect of the impairment losses of photovoltaic plants in Spain (EUR 59 million) following the impairment test procedure and the impairment of the net residual values of the property, plant and equipment and intangible assets of wind farms and photovoltaic plants in Italy, France and Germany, totalling EUR 21 million, following the authorisations for Repowering and Revamping projects obtained during the year.

The line **Other changes and divestments** refers to disposals during the year, changes in the effect of exchange rates for companies in US and British currency, and the capitalisation of financial interest relating to the organic development of parks under construction.

25 On 20 January, ERG, through its subsidiary ERG Power Generation S.p.A., sold 100% of ERG Sweden Holding AB, owner of Furukraft AB, the company that owns the Furuby wind farm located in Sweden, to Nordetic AB, a company belonging to the eNordic group, an independent power producer operating in the Nordic countries owned by the Ardian fund.

2 - Net operating working capital

This includes inventories of spare parts, amounts due for the sale of electricity, trade payables mainly related to the purchase of electricity, maintenance of wind power and photovoltaic systems, and other trade payables.

3 - Other assets

These mainly comprise deferred tax assets, the positive fair value of electricity hedging derivatives due to commodity price movements, tax assets for tax advances and advance payments made against current provision of services.

4 - Other liabilities

These concern mainly the negative effect of the fair value of derivatives hedging electricity due to the trend in commodity prices, the fair value of VPPAs (Virtual Power Purchase Agreements), the deferred tax liabilities calculated on the differences between carrying amounts and the related tax basis (mainly concessions and non-current assets), the estimate of income taxes due for the year, and the provisions for risks and charges.
The item also includes the liability recognised to the Tax Equity Partner corresponding to its right to receive tax benefits over time in the form, primarily, of Production Tax Credits (PTCs) and tax losses.

5 - Non-controlling interests

Minorities relate to non-controlling interests in subsidiaries incorporated under US law (75%), in two solar companies in France (59%) and in Andromeda PV S.r.l. (78.5%), owner of a photovoltaic park in Italy.

6 - Net financial indebtedness

It should be noted that for greater clarity, the net financial indebtedness is indicated in the dual measure "before IFRS 16", excluding the liabilities linked to the application of IFRS 16, and "after IFRS 16", including the aforementioned liabilities.
In addition, the debt reported below includes the financial indebtedness of discontinued operations of approximately EUR 13 million (of which EUR 3 million in lease liabilities).

Summary of the Group's indebtedness

(EUR million)	31/12/2025	31/12/2024
Non-current financial indebtedness	2,130	2,129
Current financial indebtedness (cash and cash equivalents)	(248)	(335)
Net financial indebtedness before IFRS 16	**1,882**	**1,793**
Lease liabilities	237	229
Net financial indebtedness after IFRS 16	**2,119**	**2,023**

Lease liabilities at 31 December 2025 amounted to EUR 237[26] million (EUR 229 million at 31 December 2024). The increase in the year is attributable to the increase in installed capacity.

The following table illustrates the **non-current financial indebtedness** of the ERG Group:

Non-current financial indebtedness

(EUR million)	31/12/2025	31/12/2024
Non-current loans and borrowings	494	419
Non-current financial liabilities	1,597	1,597
Total	**2,091**	**2,016**
Total Project Financing	64	144
Current portion of Project Financing	(16)	(18)
Non-current Project Financing	**48**	**125**
Non-current financial assets	**(9)**	**(12)**
Total non-current financial indebtedness before IFRS 16	**2,130**	**2,129**
Lease liabilities	**232**	**223**
Total non-current financial indebtedness after IFRS 16	**2,361**	**2,351**

26 The item includes EUR 3 million in lease liabilities referring to the Swedish asset being sold at the reporting date.

Non-current loans and borrowings at 31 December 2025 totalled EUR 494 million and refer to four sustainable bilateral linked loans for EUR 420 million and a new green loan entered into in the first half of 2025 for a nominal amount of EUR 75 million. The loans shown above are recognised net of medium/long-term ancillary charges recognised using the amortised cost method for approximately EUR 1 million.

Non-current financial liabilities of EUR 1,597 million mainly refer to the liability arising from the placement of three bonds issued as part of the Euro Medium Term Notes (EMTN) Programme, relating to:
- a nominal amount of EUR 500 million (6-year fixed-rate term);
- a nominal amount of EUR 600 million (7-year fixed-rate term);
- a nominal amount of EUR 500 million (10-year fixed-rate term).

These liabilities are recognised net of medium/long-term ancillary charges recognised for accounting purposes using the amortised cost method, amounting to approximately EUR 5 million.
It should be noted that the loan issued in 2019 (for a nominal amount of EUR 500 million) was repaid in April 2025.

The liabilities for **"Project Financing"** totalling EUR 64 million[27] at 31 December 2025 relate to:
- EUR 49 million in loans relating to the company Andromeda S.r.l., owner of two photovoltaic systems in Central Italy;
- EUR 15 million in loans issued for the construction of a wind farm in Germany;

It should be noted that, as part of the Liability Management activities implemented by the Group in recent years, during 2025, the following were repaid in advance:
- in the first quarter, EUR 45 million relating to Project Financing disbursed for the construction of a wind farm in the United Kingdom, acquired in January 2025;
- in the fourth quarter, EUR 61 million relating to Project Financing disbursed for the construction of wind farms and photovoltaic plants in France.

Non-current financial assets of EUR 9 million refer to the long-term portion of assets arising from the fair value measurement of interest rate hedging derivatives.

Current financial indebtedness (cash and cash equivalents)

(EUR million)	31/12/2025	31/12/2024
Current bank loans and borrowings	222	179
Current portion of non-current financial liabilities	0	498
Other current financial liabilities	19	30
Current financial liabilities	**240**	**707**
Cash and cash equivalents	(421)	(591)
Securities and other current financial assets	(74)	(460)
Current financial assets	**(495)**	**(1,051)**
Current Project Financing	16	18
Cash and cash equivalents	(9)	(10)
Project Financing	**7**	**9**
Total current net financial indebtedness before IFRS 16	**(248)**	**(335)**
Lease liabilities	**5**	**7**
Total non-current financial indebtedness after IFRS 16	**(242)**	**(329)**

Current bank loans and borrowings include positions related to current credit lines.

Other current financial liabilities mainly include accrued interest expense on Bonds, Corporate Loans and Project Financing (EUR 18 million).

Securities and other current financial assets primarily include short-term cash investments of EUR 61 million, accrued interest receivables of EUR 6 million, and the short-term portion of assets resulting from the fair value measurement of interest rate hedging derivatives amounting to EUR 5 million.

27 These liabilities are recognised net of medium/long-term ancillary charges recognised for accounting purposes using the amortised cost method.

CASH FLOWS

The cash flow statement is presented starting from the before IFRS 16 values and including the flows generated by the Swedish wind asset, in order to facilitate understanding of the dynamics of cash flows for the year.
The breakdown of changes in net financial indebtedness is as follows:

	Year	
(EUR million)	**2025**	**2024**
Adjusted gross operating profit	540	535
Change in net working capital	(126)	(50)
Cash flows from operations	**414**	**485**
Capital expenditure in property, plant and equipment and intangible assets	(163)	(234)
Asset acquisitions and business combinations	(72)	(319)
Capital expenditure on non-current financial assets	0	1
Other changes and divestments	(4)	(11)
Cash flows from investments/divestments	**(239)**	**(563)**
Financial income (expense)	(41)	(19)
Financial expense for closing loans	2	-
Net gains (losses) on equity investments	(0)	(0)
Cash flows from financing activities	**(39)**	**(19)**
Cash flows from tax management	**(47)**	**(39)**
Distribution of dividends	(151)	(152)
Share buy-back programme	(12)	(47)
Other changes in equity	(15)	(13)
Cash flows from equity	**(178)**	**(212)**
Initial net financial indebtedness before IFRS 16	**1,793**	**1,445**
Net change	**89**	**348**
Total net financial indebtedness before IFRS 16	**1,882**	**1,793**
Lease liabilities	*237*	*229*
Net financial indebtedness after IFRS 16	**2,119**	**2,023**

Cash flows from operations for 2025 were positive at EUR 414 million, down from 2024 (EUR 485 million) mainly due to the changes in working capital.
Cash flows from investments in 2025 refer mainly to the impact related to the acquisition of a wind farm in the United Kingdom (43 MW), the start of repowering activities on two wind farms in Italy (141 MW of new capacity, 71 MW differential), the construction of wind farms in the UK (47 MW), Germany (28 MW) and France (18 MW), the first repowering work on a French wind farm (23 MW) and the implementation of the first storage project in Italy (12.5 MW).
Cash flows from financing activities refer to the interest accrued during the year.
Cash flows from tax management refer to the payment of direct taxes.
Cash flows from equity includes dividend distributions to shareholders, completion of the treasury share buy-back programme, changes in the cash flow hedge reserve related to derivative financial instruments, and the foreign exchange translation reserve.
The change in **Lease Liabilities** is attributable to the variation in the scope of consolidation due to the acquisition in the United Kingdom and to the commissioning of the new wind farms developed internally.

ALTERNATIVE PERFORMANCE INDICATORS

DEFINITIONS

On 3 December 2015, CONSOB issued Communication no. 92543/15, which transposes the Guidelines regarding the use and presentation of Alternative Performance Indicators in the context of regulated financial information, issued on 5 October 2015 by the European Securities and Markets Authority (ESMA). The Guidelines, which updated the CESR Recommendation on Alternative Performance Indicators (CESR/05 – 178b), aim to promote the usefulness and transparency of alternative performance indicators so as to improve their comparability, reliability and comprehensibility. Some of the Alternative Performance Indicators (APIs) used in this document are different from the financial indicators expressly provided for by the IAS/IFRS adopted by the Group. These alternative indicators are used by the Group in order to facilitate the communication of information on its business performance as well as its net financial indebtedness.
Finally, in order to facilitate an understanding of the business segments' performance, the operating results are shown with the exclusion of significant special income components of an exceptional nature (special items) and with the inclusion, also for the comparative period, of the results of the Swedish asset being sold at the reporting date, which made a full economic contribution during the financial year: these results are indicated with the definition "Adjusted results".
Since the composition of these indicators is not regulated by the applicable accounting standards, the method used by the Group to determine these indicators may not be consistent with the method used by other operators and so these might not be fully comparable.

Definitions of the APIs used by the Group and a reconciliation with the items of the Financial Statements templates adopted are as follows.

Adjusted revenue is revenue, as indicated in the Financial Statements, with the exclusion of significant special income components of an exceptional nature (special items).

Gross operating profit (loss) is an indicator of operating performance calculated by adding "Amortisation, depreciation and impairment of non-current assets" to the Operating profit (loss). Gross operating profit (loss) is explicitly indicated as a subtotal in the financial statements.

Adjusted gross operating profit (loss) is the gross operating margin, as defined above, with the exclusion of significant special income components (special items).

Adjusted operating profit (loss) is the operating profit (loss), explicitly indicated as a subtotal in the financial statements, with the exclusion of significant special income statement components of an exceptional nature (special items).

EBITDA margin is an indicator of the operating performance calculated by comparing the adjusted gross operating profit (loss) to the Revenue from sales and services of each individual business segment.

The **adjusted tax rate** is calculated by comparing the adjusted amounts of taxes and profit before taxes.

Profit (loss) from continuing operations does not include the result from assets held for sale/discontinued operations, reclassified under the item "Profit (loss) from discontinued operations";

Adjusted Profit (loss) from continuing operations is the profit from continuing operations, with the exclusion of significant income statement components of an exceptional nature (special items), net of the related tax effects;

Adjusted profit (loss) attributable to owners of the parent is the adjusted profit (loss) from continuing operations with the exclusion of the profit attributable to non-controlling interests;

Capital expenditure is the sum of capital expenditure in property, plant and equipment and intangible assets, with the inclusion of Mergers & Acquisitions and not including Right-of-Use assets;

Net operating working capital is the sum of inventories, trade receivables and trade payables.

Net invested capital is the sum of Non-current assets (including Right-of-Use Assets), Net operating working capital, Liabilities related to Post-employment benefits, Other assets and Other liabilities;

Net financial indebtedness is an indicator of the financial structure and is determined in accordance with ESMA Guidelines 32-382-1138 (Guidelines on Prospectus disclosures) and CONSOB Warning Notice no. 5/2021, also including the portion of non-current assets relative to derivative financial instruments.
For greater clarity, net financial indebtedness is indicated in the dual measure "before IFRS 16", excluding the liabilities linked to the application of IFRS 16, and "after IFRS 16", including the aforementioned liabilities.

Financial leverage before IFRS 16 is calculated by comparing the net financial indebtedness before IFRS 16 with the net invested capital, not including Right-of-Use assets.

Special items include significant special income components of an exceptional nature. These include:
- income and expense connected to events whose occurrence is non-recurring, i.e. those transactions or events that do not frequently re-occur over the normal course of business;
- income and expense related to events that are not typical of normal business activities, such as restructuring and environmental costs;
- capital gains and losses linked to the disposal of assets;
- significant impairment losses recognised on assets following impairment tests;
- income and the associated reversals recognised in application of IFRS 9, in relation to the restructuring of loans in place.

RECONCILIATION WITH ADJUSTED OPERATING RESULTS

GROSS OPERATING PROFIT (LOSS)

(amounts in millions)	Notes	Year 2025	Year 2024
Gross operating profit from continuing operations		**526**	**525**
Assets held for sale contribution		*5*	*6*
Gross operating profit		**531**	**531**
Special items exclusion:			
Ancillary charges on extraordinary operations	1	*3*	*8*
Capital gains on the sale of works of art	2	*-*	*(4)*
Allocation Provision Disposed Businesses	3	*6*	*1*
Adjusted gross operating profit		**540**	**535**

AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

(amounts in millions)	Notes	Year 2025	Year 2024
Amortisation and depreciation expense for continuing operations		**(354)**	**(273)**
Assets held for sale contribution		*(3)*	*(4)*
Amortisation, depreciation and impairment losses		***(357)***	***(278)***
Special items exclusion:			
Impairment Repowering/Revamping	4	*22*	*13*
Impairment Solar Spain	8	*59*	*-*
Impairment Wind farm asset Sweden		*-*	*1*
Adjusted amortisation and depreciation		**(276)**	**(263)**

PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT

(amounts in millions)	Notes	Year 2025	Year 2024
Profit attributable to owners of the parent		**65**	**187**
Exclusion of IFRS 5 impact		*27*	*2*
Profit from continuing operations attributable to the owners of the parent		**92**	***189***
Special items exclusion:			
Exclusion of the sale of works of art	2	*-*	*(3)*
Exclusion of ancillary charges on loan prepayments	5	*(2)*	*-*
Exclusion of ancillary charges on non-recurring transactions	1	*3*	*7*
Exclusion of Substitute Tax Wind & Solar Italy	6	*-*	*(28)*
Exclusion of impairment losses on Solar plant Spain	8	*46*	*-*
Exclusion of impairment losses recognised on Repowering/Revamping	4	*16*	*10*
Exclusion of expenses related to disposed Businesses	3	*1*	*3*
Exclusion of IFRS 5 adjustment on Sweden asset	7	*(1)*	*(2)*
Adjusted profit from continuing operations attributable to owners of the parent		**155**	**175**

1. Ancillary charges relating to other non-recurring transactions, as well as unsuccessful acquisitions.
2. Capital gain realised in 2024 from the sale of works of art to an ERG S.p.A. related party at market values, recorded under the non-current assets of the parent ERG S.p.A. holding company.
3. Provisions relating to exceptional items on businesses disposed of by the Group.
4. Impairment losses of existing plants subject to Repowering and Revamping plans in Italy (of which EUR 10 million relating to amortisation and depreciation of wind farms and EUR 3 million relating to solar farms), Germany (EUR 8 million) and France (EUR 1 million), already approved and authorised.
5. In 2025, the item includes financial income related to the early closures of two project financing agreements.
6. Reversal of the benefit of the substitute tax to align the carrying amount of goodwill with the related tax basis in the 2022 Siena and Donatello Business combination.
7. Reclassification of the contribution of the Swedish wind asset, in application of IFRS 5 following the classification as Assets held for sale. To enhance understandability of the Group's performance, the adjusted results also include in ordinary operations the results of the asset being sold at 31 December 2025.
8. Impairment losses on of photovoltaic parks in Spain, following the impairment test procedure.

Below is the reconciliation between the Financial Statements and the adjusted statements shown and commented upon in this Report:

Income Statement at 31 December 2025

(EUR million)	Reported	Reversal of impairment adjustment IFRS 5 Sweden	Reversal of IFRS 5 reclassifications Sweden	Reversal of special items	Adjusted
Revenue	744	-	9	-	752
Other income	51	-	-	(1)	50
Total revenue	**795**	**-**	**9**	**(1)**	**803**
Purchases and change in inventories	(9)	-	-	-	(9)
Services and other operating costs	(200)	-	(4)	9	(194)
Personnel expense	(60)	-		-	(60)
Gross operating profit	**526**	**-**	**5**	**9**	**540**
Amortisation, depreciation and impairment of non-current assets	(354)	-	(3)	81	(276)
Operating profit (loss)	**172**	**-**	**2**	**90**	**263**
Net financial income (expense)	(45)	-	(2)	(2)	(50)
Net gains (losses) on equity investments	4	-	-	(4)	(0)
Profit before taxes	**131**	**-**	**(1)**	**83**	**214**
Income taxes	(33)	-	(1)	(19)	(53)
Profit (loss) from continuing operations	**97**	**-**	**(1)**	**65**	**161**
Non-controlling interests	(5)	-	-	-	(5)
Profit (loss) from continuing operations attributable to the owners of the parent	**92**	**-**	**(1)**	**65**	**155**
Profit (loss) from assets held for sale	(27)	26	1	(0)	-
Profit attributable to owners of the parent	**65**	**26**	**-**	**65**	**155**

Statement of financial position at 31 December 2025

(EUR million)	Financial Statements	*Reversal of IFRS 5 reclassifications*	Adjusted Statement of Financial Position
Non-current assets	4,568	74	4,642
Net operating working capital	83	0	84
Employee benefits	(3)	-	(3)
Other assets	286	14	300
Other liabilities	(840)	(19)	(859)
Net invested capital of continuing operations	**4,094**	**70**	**4,165**
Net invested capital of discontinued operations	70	(70)	
Net invested capital	**4,165**	**-**	**4,165**
Equity attributable to owners of the parent	1,980	-	1,980
Non-controlling interests	65	-	65
Net financial indebtedness before IFRS 16	**1,872**	**10**	**1,882**
Lease liabilities	233	3	237
Net financial indebtedness after IFRS 16	**2,106**	**13**	**2,119**
Net financial indebtedness of discontinued operations	13	(13)	-
Equity and financial indebtedness	**4,165**	**-**	**4,165**

Income Statement at 31 December 2024

(EUR million)	Financial Statements	*Reversal of special items*	*Reversal of IFRS 5 reclassifications*	Adjusted Income Statement
Revenue	733	-	6	738
Other income	52	(4)	3	51
Total revenue	**785**	**(4)**	**8**	**789**
Purchases and change in inventories	(10)	-	-	(10)
Services and other operating costs	(192)	8	(3)	(186)
Personnel expense	(58)	-	-	(58)
Gross operating profit	**525**	**4**	**6**	**535**
Amortisation, depreciation and impairment of non-current assets	(273)	14	(4)	(263)
Operating profit	**252**	**19**	**1**	**271**
Net financial income (expense)	(22)	-	(5)	(27)
Net gains (losses) on equity investments	(3)	2	1	(0)
Profit before taxes	**226**	**21**	**(3)**	**244**
Income taxes	(34)	(33)	1	(66)
Profit (loss) from continuing operations	**192**	**(12)**	**(2)**	**178**
Non-controlling interests	(3)	-	-	(3)
Profit (loss) from continuing operations attributable to the owners of the parent	**189**	**(12)**	**(2)**	**175**
Net profit (loss) from discontinued operations	(2)	-	2	-
Profit attributable to owners of the parent	**187**	**(12)**	**-**	**175**

(EUR million)	Consolidated Financial Statements	Non current assets	Net operating working capital	Employee Benefits	Other Assets	Other Liabilities	Continued operations NET INVESTED CAPITAL	Continued operations Net financial indebtedness
Authorisations and Concessions	948	948					948	
Other intangible assets	20	20					20	
Goodwill	442	442					442	
Property, plant and equipment	2,901	2,901					2,901	
Right-of-use assets	205	205					205	
Equity investments:	1	1					1	
Financial assets measured at fair value	22				11		11	11
Other non-current financial assets	50	50					50	
Deferred tax assets	76				76		76	
Other non-current assets	63				63		63	
Non-current assets	**4,729**							
Inventories	25		25				25	
Trade receivables	135		135				135	
Other receivables and current assets	97				97		97	
Current tax assets	32				32		32	
Attività finanziarie valutate al Fair Value	11				7		7	4
Other current financial assets	89						-	89
Cash and cash equivalents	420							420
Current assets	**810**							
Non-current Assets held for sale	**80**							
TOTAL ASSETS	**5,618**							
Equity attributable to the owners of the parent	1,980							
Non-controlling interests	65							
TOTAL EQUITY	**2,045**							
Employee benefits	3			(3)			(3)	
Deferred tax liabilities	215					(215)	(215)	
Provision for disposed businesses	82					(82)	(82)	
Provisions for dismantling expenses	92					(92)	(92)	
Other non-current provisions	29					(29)	(29)	
Financial liabilities measured at fair value	96					(96)	(96)	1
Non-current financial liabilities	2,139							2,139
Non-current lease liabilities	228							228
Tax Partner USA liability	120					(120)	(120)	
Other non-current liabilities	83					(83)	(83)	
Non-current liabilities	**3,087**							
Other current provisions	30					(30)	(30)	
Trade payables	77		(77)				(77)	
Passività finanziarie valutate al Fair Value	11					(11)	(11)	
Current financial liabilities	257							257
Current lease liabilities	5							5
Other current liabilities	62		-			(62)	(62)	
Current tax liabilities	20					(20)	(20)	
Current liabilities	**462**							
Liabilities related to Non-current Assets held for sale	**23**							
TOTAL EQUITY AND LIABILITIES	**5,618**							
Reclassified Balance Sheet		**4,568**	**83**	**(3)**	**286**	**(840)**	**4,094**	**2,106**

ERG S.P.A. OPERATING RESULTS, FINANCIAL POSITION AND CASH FLOWS

The separate financial statements of ERG S.p.A. at and for the year ended 31 December 2025 have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, inclusive of all standards that have undergone interpretation (International Financial Reporting Standards – IFRS) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and by the previous Standing Interpretations Committee (SIC).

INCOME STATEMENT

Reclassified Income Statement

(EUR million)	2025	2024
Revenue	39.6	38.7
Other income	3.8	6.2
Total revenue	**43.3**	**44.9**
Purchases and change in inventories	(0.2)	(0.2)
Services and other operating costs	(61.0)	(62.1)
Gross operating profit (loss)	**(17.9)**	**(17.4)**
Amortisation, depreciation and impairment of non-current assets	(3.2)	(3.3)
Net financial income (expense)	(27.4)	(16.3)
Net gains (losses) on equity investments	69.9	59.4
Profit before taxes	**21.4**	**22.3**
Income taxes	6.9	5.1
Profit for the year	**28.3**	**27.5**

Other income

It should be noted that the comparative figure for 2024 included the capital gain on the sale of works of art to a related party at market prices.

Net financial income (expense)

The item mainly includes interest income on liquidity management (EUR +15 million) and financial expense on loans and bonds issued (EUR -47 million).

Net gains (losses) on equity investments

The item includes the dividends paid by the subsidiary ERG Power Generation S.p.A. (EUR 70 million).

STATEMENT OF FINANCIAL POSITION

Reclassified Statement of Financial Position

(EUR million)	31/12/2025	31/12/2024
Non-current assets	2,646	2,647
Net operating working capital	39	(3)
Employee benefits	(1)	(1)
Other assets	51	52
Other liabilities	(102)	(104)
Net invested capital	**2,634**	**2,590**
Equity	629	761
Net financial indebtedness	2,004	1,829
Equity and financial indebtedness	**2,634**	**2,590**

Non-current assets

Non-current assets mainly consist of the value of the equity investment of the subsidiary ERG Power Generation.

Net financial indebtedness (cash)

(EUR million)	31/12/2025	31/12/2024
Non-current financial indebtedness	2,090	2,013
Current financial indebtedness (cash)	(85)	(184)
Total	**2,004**	**1,829**

The increase of approximately EUR 175 million compared to 31 December 2024 is mainly linked to the new Green Loan stipulated in the first half of 2025 for EUR 75 million, a greater use of short-term lines, a decrease in the liquidity invested by the Group which more than they offset the repayment, in April, of the bond issued in 2019 (for a nominal amount of EUR 500 million).
The following graph illustrates the non-current financial indebtedness:

Non-current financial indebtedness

(EUR million)	31/12/2025	31/12/2024
Non-current bank loans and borrowings	494	419
Bonds	1,600	1,600
Other non-current loans and borrowings	(5)	(7)
IFRS 16 financial liabilities (non-current)	1	1
Total	**2,090**	**2,013**

Non-current loans and borrowings at 31 December 2025 totalled EUR 494 million and refer to four sustainable bilateral linked loans and a new green loan entered into in the first half of 2025 for a nominal amount of EUR 75 million. The loans shown above are recognised net of medium/long-term ancillary charges recognised using the amortised cost method for approximately EUR 1 million.
Non-current financial liabilities amounting to a nominal value of EUR 1,600 million mainly refer to liabilities arising from the placement of three bonds issued as part of the Euro Medium Term Notes (EMTN) Programme.

The breakdown of current financial indebtedness is shown below:

Current financial indebtedness (cash)

(EUR million)	31/12/2025	31/12/2024
Current bank loans and borrowings	241	204
Current bonds	(2)	498
IFRS 16 Current financial liabilities	1	1
Current financial liabilities	**240**	**703**
Cash and cash equivalents	(370)	(515)
Securities and other financial assets	(80)	(468)
Loan assets with subsidiaries	125	97
Current financial assets	**(325)**	**(886)**
Total	**(85)**	**(184)**

Current bank loans and borrowings increased due to a higher utilisation of short-term lines compared to 31 December 2024. Payables for current bonds decreased by an amount of EUR 498 million following the repayment of the aforementioned bond loan.
Securities and other financial receivables decreased as a result of the lower liquidity invested in the year.
Loan assets with subsidiaries increased by EUR 28 million, mainly due to an increase in the amount of the cash pooling payable to subsidiaries.

The breakdown of changes in net financial indebtedness is as follows:

(EUR million)	31/12/2025	31/12/2024
Cash flows from operating activities:		
Profit (loss) for the year	28	27
Amortisation and depreciation	3	3
Change in working capital and other assets and liabilities	(44)	(1)
Total	**(12)**	**30**
Cash flow from investing activities		
Net capital expenditure in property, plant and equipment and intangible assets	(3)	(2)
Change in non-current financial assets	0	(0)
Total	**(3)**	**(2)**
Cash flows from Equity		
Distributed dividends	(145)	(146)
Share buy-back programme	(12)	(47)
Other changes in equity	(3)	0
Total	**(160)**	**(193)**
Change in net financial indebtedness	**(175)**	**(165)**
Opening net financial indebtedness	**1,829**	**1,664**
Change in the year	**175**	**165**
Closing net financial indebtedness	**2,004**	**1,829**

Cash flows from Equity mainly refer to dividends distributed to shareholders (EUR -145 million), the completion of the share buy-back programme (EUR -12 million) initiated in 2024, changes in the cash flow hedge reserve tied to derivative financial instruments (EUR -7 million) and LTI (EUR +4 million).

RECONCILIATIONS IN ACCORDANCE WITH CONSOB COMMUNICATION NO. DEM/6064293 OF 28 JULY 2006

	Equity		Profit for the year	
(EUR million)	31/12/2025	31/12/2024	2025	2024
Equity and profit for the year of ERG S.p.A.	**629,446**	**760,905**	**28,350**	**27,469**
Derecognition of the effects of transactions carried out between consolidated companies:				
- Derecognition of intragroup profits on inventories and non-current assets	8,263	5,882	-	-
- Derecognition of intragroup dividends	-	-	(70,000)	(60,000)
	8,263	**5,882**	**(70,000)**	**(60,000)**
Deferred taxes:				
- Deferred tax liabilities on the consolidation adjustments	-	-	960	-
Derecognition of the carrying amount of the equity investments:				
- Difference between carrying amount and the Group's share of Equity	1,407,771	1,456,312	-	-
- Adjusted pro rata results achieved by the investees			111,138	222,246
- Recognition of Assets and Liabilities from business combinations			-	-
	1,407,771	**1,456,312**	**111,138**	**222,246**
Equity and profit for the year	**2,045,480**	**2,223,098**	**70,448**	**189,715**
Equity and profit (loss) for the year – non-controlling interests	(65,349)	(76,481)	(5,491)	(2,629)
Consolidated equity and profit for the year ERG Group	**1,980,131**	**2,146,618**	**64,957**	**187,086**

MANAGEMENT NOTES ON THE MAIN NON-CONSOLIDATED SUBSIDIARIES, ASSOCIATES

In addition, it is pointed out that the Group holds equity investments in non-operating subsidiaries, listed below:
- Parc Eolien de Saint-Loup sur Cher SARL
- Parc Eolien du Puits Gergil SARL
- Parc Eolien du Plateau de la Perche SARL
- Parc Eolien des Boules SARL
- Parc Eolien de la Foye Sas
- Ferme Eolienne de la voie Sacree sud SAS
- Parc Eolien Des Grandes Bornes Sas
- Parc Eolien Des Jonquilles Sas
- Parc Eolien De La Plaine De Burel
- Parc Eolien De Saint Priest En Murat
- Parc Eolien Des Vents Communaux
- Parc Photovoltaique de la Vallée Brousse
- Parc Eolien de six chemins
- Parc Photovoltaique de la Vallée de la Doulaye
- Solaires ERG 1 S.a.s.
- Les Grands Bruyères
- Parc Photovoltaique des Béluets
- Centre Photovoltaique du Pla D'Alzau
- Fattoria Solare Futurasun S.r.l.
- REN BETA I, S.L.U.
- ERG Germany Verwaltungs GmbH
- ERG Windpark Bischhausen & Co. KG

The scope of consolidation also includes the following subsidiaries in liquidation:
- ERG Petroleos S.A. in liquidation
- Eolico Troina S.r.l. in liquidation

DISCLOSURE IN ACCORDANCE WITH ARTICLE 2.6.2, PARAGRAPH 7, OF THE REGULATION OF BORSA ITALIANA S.P.A.

In relation to the obligation under Article 2.6.2, paragraph, of the Regulations of the Markets organised and managed by Borsa Italiana S.p.A. and taking into account the provisions of Article 15 of the Market Regulations adopted by CONSOB with its resolution no. 16191 of 29 October 2007 as amended, it is certified that (i) ERG S.p.A. acquired from *ERG UK Holding Limited, Creag Riabhach Wind Farm Ltd and Sandy Knowe Wind Farm Limited, Great Pathfinder Wind LLC, Mulligan Solar LLC* (the companies), the articles of association, the composition and the powers of the related corporate bodies; (ii) the companies provide the Group's auditors with the necessary information to carry out the audit of the annual and interim financial reports of ERG S.p.A. and have an administrative and accounting system capable of duly providing to the Management and to the auditors of the Group the income statement, statement of financial position and financial data necessary for the preparation of the consolidated financial statements.
It is hereby certified that ERG S.p.A. has made the financial statements of the companies available to the public at the registered office.

LIMITED MANAGEMENT AND COORDINATION BY SQ RENEWABLES S.P.A.

Following the closing of the transaction aimed at the creation of a long-term partnership between San Quirico S.p.A. and the IFM Net Zero Infrastructure Fund SCSP investment fund, which occurred on 15 September 2022, ERG S.p.A. is a direct subsidiary of SQ Renewables S.p.A. (wholly owned by San Quirico S.p.A. and NZF Bidco Luxembourg 2 S.à r.l., with holdings of 65% and 35%, respectively, until 9 April 2024).
Following the exercise of the put option on shares in SQ Renewables S.p.A. by San Quirico S.p.A., from 9 April 2024, San Quirico S.p.A. and NZF Bidco Luxembourg 2 S.à r.l. each hold in SQ Renewables S.p.A. a number of shares corresponding to 51% and 49%, respectively, of the company's share capital.
SQ Renewables S.p.A. exercises limited management and coordination in respect of ERG S.p.A., in accordance with the provisions of the relative Regulation approved on 15 September 2022 by the Board of Directors, with the prior opinion of the Control, Risk and Sustainability Committee (hereinafter also the "Limited Management and Coordination Regulation").
The resolution approving the Regulations for Limited Management and Coordination by the Board of Directors of ERG S.p.A. was made within the scope of the aforementioned management and coordination activities carried out by SQ Renewables S.p.A.
Pursuant to the provisions of **Article 16 of the Market Regulation adopted by CONSOB with resolution no. 20249 of 28 December 2017 as amended and supplemented**, the following is specified:

- ERG S.p.A. has fulfilled the disclosure obligations set forth in Article 2497-bis of the Italian Civil Code
- ERG S.p.A. has autonomous negotiating ability in relations with customers and suppliers
- ERG S.p.A. has no centralised treasury relationship with SQ Renewables S.p.A.

The committees recommended by the Corporate Governance Code (i.e. the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee) are entirely composed of independent directors both with reference to the provisions of Article 148, third paragraph, of the TUF and with reference to the contents of the Corporate Governance Code.
It should be noted that, during 2025, the Board of Directors adopted a resolution — subject to the management and coordination of SQ Renewables S.p.A. — amending the Articles of Association of ERG Power Generation S.p.A., in particular to provide a clearer definition of its corporate purpose.

MANAGEMENT AND COORDINATION BY ERG S.P.A.

ERG S.p.A. carries out management and coordination activities in respect of Italian and foreign direct and indirect subsidiaries, which benefit from the advantages, the synergies and the economies of scale deriving from their inclusion in the Group; these activities are carried out in compliance with the management and operational autonomy of the aforementioned subsidiaries and involve (i) the definition of business strategies, the corporate governance system and the corporate structures, as well as (ii) the determination of shared general policies pertaining to human resources, information & communication technology, accounting, financial statements, taxation, procurement, finance, investments, risk management, legal and corporate affairs, communication, institutional relations, corporate social responsibility, M&A, business development and engineering & construction.
Taking into account the corporate organisational model adopted by the Group as from 1 January 2017, the directly and indirectly controlled Italian companies with respect to which, in 2025, in accordance with Articles 2497 et seq. of the Italian Civil Code, the management and coordination activities were carried out within the scope outlined above are:

ERG Power Generation S.p.A. and the following Italian companies controlled by it directly or indirectly:
- Breva Wind S.r.l.
- ERG Eolica Adriatica S.r.l.
- ERG Eolica Campania S.r.l.
- ERG Eolica Faeto S.r.l.
- ERG Eolica Fossa del Lupo S.r.l.
- ERG Eolica Ginestra S.r.l.
- ERG Eolica San Vincenzo S.r.l.
- ERG Eolica Tirreno S.r.l.
- ERG Solar Holding S.r.l.
- ERG Sviluppo Italia S.r.l.
- ERG Wind Bulgaria S.p.A.
- ERG Wind Investments S.r.l.
- Ginestra S.r.l.
- Green Vicari S.r.l.
- ISAB Energy Solare S.r.l.
- Eolico Troina S.r.l. in liquidation
- Andromeda PV S.r.l.
- Calabria Solar S.r.l.
- ERG Solar Piemonte 3 S.r.l.
- Fattoria Solare Futurasun S.r.l.
- ERG Wind Holdings (Italy) S.r.l.
- ERG Wind Sardegna S.r.l.
- ERG Wind Sicilia 6 S.r.l.
- ERG Wind Sicilia 3 S.r.l.
- ERG Wind 6 S.r.l.
- ERG Wind Energy S.r.l.

In 2025, ERG S.p.A. managed its various equity investments, held directly and indirectly, including through service contracts for staff activities, for a total price of EUR 39 million. As the consolidator, ERG S.p.A. also manages the national tax consolidation scheme with the main subsidiaries of the Group. All transactions are related to ordinary operations and they are settled at market conditions.

BRANCHES

ERG S.p.A. has its legal and operational headquarters in Genoa. The parent has no branches.

RELATED PARTY TRANSACTIONS

Information about related party transactions, including transactions with non-consolidated investees, is provided in the Notes to the Consolidated Financial Statements. The Procedure for Related Party transactions, adopted by the Company, is available to the public at www.erg.eu. (This information is provided in the Report on corporate governance and the shareholding structure, an integral part of the consolidated Financial Statements).

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Date	Geographical segment	Sector	Significant event
20 January 2026	UK & Nordics	Wind	ERG, through its subsidiary ERG UK Holding Ltd, acquired from OnPath Energy Midco Limited 100% of a group of UK companies owning seven operational onshore wind farms in Northern England, with a total installed capacity of 73 MW. The enterprise value of the transaction amounts to approximately GBP 97 million. At the same time, through its subsidiary ERG Power Generation S.p.A., ERG sold to Nordetic AB, 100% of ERG Sweden Holding AB, owner of Furukraft AB, the company that owns the Furuby wind farm, located in Sweden, with an installed capacity of 62 MW.
21 January 2026	Italy	Corporate	The ERG Group ranked first in the Corporate Knights 2026 "Global 100 most sustainable corporations in the world" global ranking, which assessed over 8,000 listed companies. ERG was also awarded absolute leadership for reaching 100% of sustainable revenues and investments, as well as for its sustainability strategy to which the company remuneration policy is also linked.

BUSINESS OUTLOOK 2026

The environment in which the Group operates is characterised by strong volatility both in production volumes — influenced by the availability of wind and solar irradiation — and in market prices. This is compounded by a regulatory framework that is continuously evolving and marked by elements of uncertainty, in a climate of growing political pressure on energy costs. In Italy, the recent "2026 Bills Decree" introduces a series of rules aimed at reducing the cost of electricity for households and businesses. Among these, the decree provides for reimbursement mechanisms starting in 2027, to be implemented through measures to be defined by ARERA in the coming months, for certain supply components and ETS quotas, creating a competitive advantage for gas-fired thermoelectric generation and mitigating the economic signal in favour of the transition to renewable sources. However, the effectiveness of these provisions, in particular the regulation of reimbursement to thermoelectric producers of charges related to ETS emissions, is subject to the prior authorisation of the European Commission. A better estimate of the effects of this decree can therefore only be made after this authorisation and the period of parliamentary conversion into law, i.e. within 60 days of the decree's publication in the Official Gazette (20 February 2026).

In the first two months of 2026, commodity and electricity prices are expected to decline compared to the same period in 2025. In terms of natural resources, production in the first few months of 2026 is in line with our expectations but higher than the same period in 2025, which was characterised by exceptionally low wind levels.

In order to mitigate market price volatility in line with best industry practices and its own established risk policy, ERG has in recent years carried out forward sales, mainly through long-term fixed-price supply contracts (known as PPAs) and forward contracts, including through financial derivatives. These hedges, when carried out with a portfolio approach by the Group's Energy Management through ERG Power Generation S.p.A., are allocated from a management standpoint to the various project companies, which own the Production Units (PUs). The hedge allocation criterion follows a cascade mechanism which, with the idea of mitigating the associated risks, has the following order of priority:
1. electricity produced by PUs that do not have an incentive mechanism and are therefore fully exposed to the risk of market price volatility;
2. electricity produced by PUs that are subject to "Feed in Premium" tariffs, or mechanisms that provide for an incentive that is added to the market price;
3. any residual hedges are finally attributed to the quantities of electricity subject to for-difference incentive mechanisms, such as the former "green certificate" incentive tariffs (GRIN).

However, no hedges are envisaged for generation subject to two-way for-difference incentive mechanisms.

The expected outlook for the main performance indicators in 2026 compared to 2025, excluding any regulatory effects mentioned above, is as follows.

ITALY

Gross operating profit (loss) for Wind is expected to increase slightly thanks to higher volumes expected for the year compared with 2025, which was characterised by exceptionally low wind conditions, although this will be largely offset by lower prices captured on spot markets and forward hedges, as well as the lower value of the GRIN incentive (50 EUR/MWh in 2026 compared with 55 EUR/MWh in 2025) on a reduction in volumes due to the gradual exit of some plants from the incentive scheme.

Gross operating profit (loss) for Solar is expected to be substantially in line with 2025, mainly due to lower prices captured as a result of the downward market scenario, offset by higher volumes expected.

Gross operating profit (loss) for Wind & Solar Italy in 2026 is estimated to be substantially in line with 2025.

ABROAD

Gross operating profit (loss) for Wind is expected to increase compared to 2025 mainly due to higher output compared to the lower widespread wind speeds recorded in 2025, the scope deriving from the geographical re-focus with the purchase of 72 MW in the UK and the sale of 62 MW in Sweden, from the full contribution of a Greenfield wind farm in the UK in the second half of 2025 (47 MW) and the first contribution of a Greenfield wind farm in Germany (+22 MW) and a repowering park in France (+23 MW) MW of new capacity) expected to be operational in the second half of the year. These results are partly offset by the expected downward scenario.

Gross operating profit (loss) for Solar is expected to increase slightly compared to 2025, mainly due to the expected better irradiation, partly offset by lower captured prices in Spain due to a decreasing market scenario.

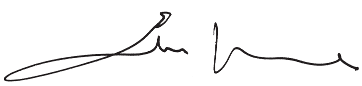
Gross operating profit (loss) for Wind & Solar abroad is expected to see an increase compared to 2025.

2026 GUIDANCE

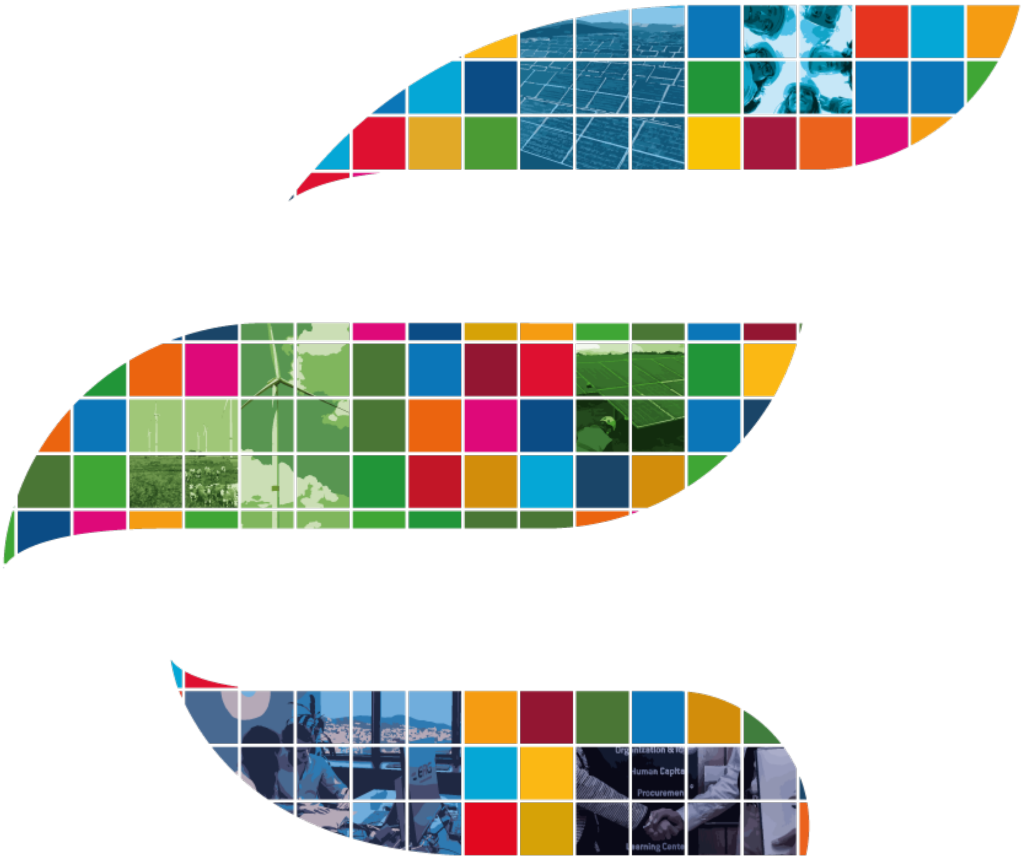
For the year 2026, at Group level, gross operating profit is estimated in the range between EUR 520 million and EUR 590 million.
Capital expenditure is in a range of between EUR 330 and EUR 380 million (EUR 235 million in 2025) and mainly includes the recent acquisition in the UK and the construction of the wind farms expected to be operational between 2026 and 2027 respectively for 45 MW and 77 MW of new capacity. These investments do not include the sale of 62 MW in Sweden.
Adjusted net financial indebtedness at the end of 2026 is expected to be in the range between EUR 1,950 million and EUR 2,050 million (EUR 1,882 million at the end of 2025), including the above-mentioned investments and the distribution of the ordinary dividend of EUR 1 per share.

Genoa, 11 March 2026

On behalf of the Board of Directors
The Chairman



Edoardo Garrone



Consolidated Sustainability Statement

CONSOLIDATED SUSTAINABILITY STATEMENT

ESRS 2 GENERAL DISCLOSURES

BP-1 BP-2 IRO-2

Methodological note

This 2025 edition represents the 19th Sustainability Statement of the ERG Group, as well as the second report drafted in compliance with the requirements of the new CSRD *(Corporate Sustainability Reporting Directive)* and with the related ESRS *(European Sustainability Reporting Standards)*, the final version of which was approved by the European Commission on 31 July 2023 and introduced into Italian law on 10 September 2023, with the publication in the Official Gazette of Italian Legislative Decree no. 125/2024 (hereinafter, "Decree").

The CSRD, which replaced the previous Directive no. 2014/95/EU *(Non-Financial Reporting Directive*– NFRD) implemented in Italy through Italian Legislative Decree no. 254/2016, significantly extends the scope of application and the transparency requirements for companies in terms of Environmental, Social and Governance topics (hereinafter, "ESG" - Environmental, Social & Governance).
In fact, pursuant to Article 4 of the Decree, parents of large groups must provide a consolidated Sustainability Statement which includes complete information on the impact of the group's activities as a whole relating to ESG topics, as well as on the effects that these topics may have on group performance.

As regards the application of CSRD and ESRS, the Group maintained the methodological approach adopted in the previous year, ensuring continuity in the assessment and reporting of ESG key indicators (KPIs). Consistent with the regulatory updates published in July 2025, known as Quick fixes, the use of phase-in models was confirmed for some indicators, including impact metrics and expected financial effects. The simplifying tables for the EU Taxonomy were also introduced, as set out in the Delegated Regulation of 4 July 2025 and intended to facilitate the reading of the methodological process, without changing the criteria, scope or calculation methods already adopted. This continuity allows for data comparability with the previous year.

This Sustainability Statement has been prepared in compliance with the ESMA (European Securities and Markets Authority) requirements on ESG reporting in order to ensure transparency, comparability and quality of the non-financial data. In addition, reference has also been made to the guidelines of the European Commission *('Guidelines on non-financial reporting' and 'Supplement on reporting climate-related information'),* which recall the principles of the TCFD *(Task Force on Climate-related Financial Disclosure)* on climate change issues.
In order to facilitate readers in locating information and for complete ESRS standard reporting, please refer to the "ESRS Content Index" at the end of this document, which contains a brief response to the various report requirements and/or an indication of the page of the Report containing the relative information.

The Sustainability Statement addresses the topics most closely linked to the Group's ESG approach; namely, it reports:
- the Group's ESG model and strategy
- the role of administrative bodies
- the Impacts, Risks and Opportunities (known as IROs) linked to sustainability, along the entire value chain (including the policies and actions adopted for their management).

The data and information have been gathered under the supervision of the ESG Committee through the ESG Department, involving all the Group's companies and departments within the scope of consolidation. The process also makes use of software and control systems that guarantee the correctness of the data.

The Consolidated Sustainability Statement was submitted for examination and assessment by the ESG Committee on 24/02/2026, the Control, Risk and Sustainability Committee on 27/02/2026 and subsequently approved by the Board of Directors of ERG S.p.A. on 11/03/2026.

This document was subject to a limited assurance engagement by KPMG S.p.A. in accordance with to the criteria set out in the Sustainability Reporting Assurance Standard - SSAE (Italy). The engagement was conducted in accordance with the procedures indicated in the "Independent Auditors' Report", which also makes reference to the applicable legislation and the ESRS.

As required by the ESRS, the ERG Group has identified the sustainability topics deemed relevant through the materiality analysis, according to the principle of "Double Materiality" introduced by the ESRS 1 - General Requirements standard, as described in the "Materiality Analysis" section of this document, to which reference should be made for further details. For the materiality analysis, all standard topics and ESRS topics were considered, in compliance with the provisions of ESRS 1.
The "other company-specific information" section also includes the ICT, Tax and Sustainable Finance topics that ERG deems important from the point of view of sustainability.

The reporting scope of the information in this Consolidated Sustainability Statement is the same as in the ERG Group's Consolidated Financial Statements, also including Sweden[1], and is made up of ERG S.p.A. and its fully consolidated subsidiaries with reference to the year ended 31 December 2025 (reporting period from 1 January to 31 December).
Any further scope limitations are expressly indicated in the text and do not compromise the full comprehension of the business activity. Compared to the 2024 reporting, there are no significant changes in the ownership structure, except for the consolidation of new wind farms and photovoltaic plants, commissioned or acquired during the year.
As far as time horizons are concerned, these are defined as:
- short term: within 12 months
- medium term: between 12 months and 5 years
- long term: over 5 years.

The data reported refer to the upstream and downstream value chain,

1 Company over which the Erg Group exercised operational control throughout 2025.

as represented below. There are no omissions in the data represented (e.g., related to intellectual property, know-how).

With reference to the estimates and forecasts contained, it should be noted that the actual results could differ from those announced in relation to a multiplicity of factors, including:

- future price trends
- plant operating performance
- wind conditions and irradiation conditions
- the impact of energy and environmental regulations
- other changes in the business conditions and in the steps taken by the competition.

With regard to the quantitative information illustrated in the following sustainability section, the following should be noted:

- Scope 1 emissions derive mainly from sources owned or under the control of the Organisation, such as the consumption of natural gas, the fuels used by the company fleet and refrigerant gas leaks
- Scope 2 emissions are mainly related to electricity purchases necessary to operate the plants (when not in production) and offices
- the indirect emissions in the value chain (known as Scope 3 emissions) are generated by sources not owned or directly controlled by the Organisation. In particular, they were quantified considering all the categories applicable to the ERG Group, in accordance with the methods envisaged by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Specifically, category 1 - Purchased Goods & Services includes all upstream emissions deriving from the purchase of goods or services for the reporting year. The quantification of this category required the application of the spend-based method, using the economic value of the expenses incurred during 2025 as input. These amounts were multiplied by specific emission factors. In addition, where available, primary data and emission factors deduced from tools such as LCA (Life Cycle Assessment) and EPD (Environmental Product Declaration) were used.

The same methodology was applied for category 2 - Capital Goods, which includes emissions deriving from capital goods[2] acquired during the reporting year. It should be noted that for the purposes of accounting this category, where a precise methodology was used, the entire useful life of[3] the purchased asset was considered.

Category 3 - Fuel and Energy-Related Activities was quantified through the application of the average-data method, using fuel and electricity consumption data from Scope 1 and Scope 2. These quantitative inputs were multiplied by emission factors[4] that take into account the extraction, transport, distribution and any network losses of the energy carrier considered.

To calculate the category 4 - Upstream Transportation & Distribution emissions, the mass of goods in transit, the means of transport used, and the total distance travelled were considered. Through the application of the distance-based method, it was possible to use the point data mentioned above using emission factors (DEFRA[5]) to the means of transport. If these data were not available, the spend-based method was used as previously described for category 1.

Category 5 - Waste includes emissions deriving from the disposal and treatment of waste generated by group activities in the reference year. To quantify the emissions, the waste-types specific method was used along with emission factors (DEFRA) for specific types of waste and treatment methods.

For category 6 - Business Travel, the distance-based method was applied, using as input data the distances travelled during company travel and specific emission factors (DEFRA) depending on the means of transport used (plane or train). For the same category, with the spend-based methodology, the expenses incurred for short-term car hire and travel by taxi were used. In this case, the emission factor[6] used is that relating to land transport.

Category 7 - Employee Commuting reports emissions related to employee commuting. For this category, the responses from the 2025 survey were used, from which the average emissions figure per employee was obtained, then multiplied by the number of employees[7] in the workforce as of 31 December 2025.

2 Emission factor source: CEDA 2025 GHG emissions breakdown. Emission factors expressed in kgCO2/EUR were associated according to the type of expenditure and country of reference.

3 The useful life for Wind, Solar & Battery technologies was deduced from specific studies (LCA and EPD).

4 Emission factor source: IEA (International Energy Agency) Life Cycle Upstream Emission Factors 2023 (Pilot Edition).

5 Emission factor source: UK Government GHG Conversion Factors for Company Reporting 2025 (DEFRA).

6 Factor source: Eurostat Environmentally-Extended Input-Output (EEIO) tables that provide average emission factors by NACE sector, expressed in tCO2e/€M.

7 The survey was carried out in December 2025. The participation rate was 71%. For the remaining part of the company population, an estimate of emissions was made on the basis of the responses obtained. The Survey allowed to obtain data on the commuting distance, the workdays in the office and the means of transport used. On the basis of the responses obtained, it was possible to apply the distance-based method, thus multiplying the total distance travelled weekly (which considers employees' remote work days) by the working weeks in a year (220 work days, equal to 44 working weeks) and an emission factor based on the means of transport used.

Lastly, category 8 - Upstream Leased Assets, provides the emissions associated with leased company assets not falling within the context of IFRS 16. The following were used for the calculation:

- precise data on leased properties where available (energy consumption)
- surface area of the properties if consumption is not available. In this case, the emissions were calculated[8] on the basis of an emission index by type of property expressed in t CO_2 e/m2.

All the categories that were not mentioned were not considered applicable to the Group.

In calculating its emissions, ERG implements a continuous improvement process that envisages obtaining increasingly primary data (e.g., LCA and EPD) of the supply chain. If available, these are preferred over the estimated data. For more details on the supplier engagement process, please refer to section G1-2 "Management of Relationships with Suppliers".

As regards "CO_2 avoided", an indicator used to show the positive contribution of production from renewable sources to environmental improvement, this was determined using the specific thermoelectric emission factor in the country of reference and published by International Energy Agency -IEA- (publication updated to 2024). It should further be noted that the operating parameters of the plants are taken from their management and reporting systems.
If quantitative data are expressed in a manner that differs from the above, this will be expressly indicated in specific notes.
To enable the comparability of data over time and to assess trends, data for the last two years has been provided, where available. Furthermore, to ensure the correct representation of performance and to guarantee the reliability of data, any estimates are based on the best available methods and are appropriately indicated.

The Consolidated Sustainability Statement is published annually. For information regarding the Consolidated Sustainability Statement, please write to sustainability@erg.eu. This document is also available on the Group's website under the Sustainability section (https://www.erg.eu/en/sustainability).

8 For the calculation of emissions, the UK Government GHG Conversion Factors for Company Reporting 2025 (DEFRA) database was used, which provides emission factors depending on the type of property considered.

SBM-1

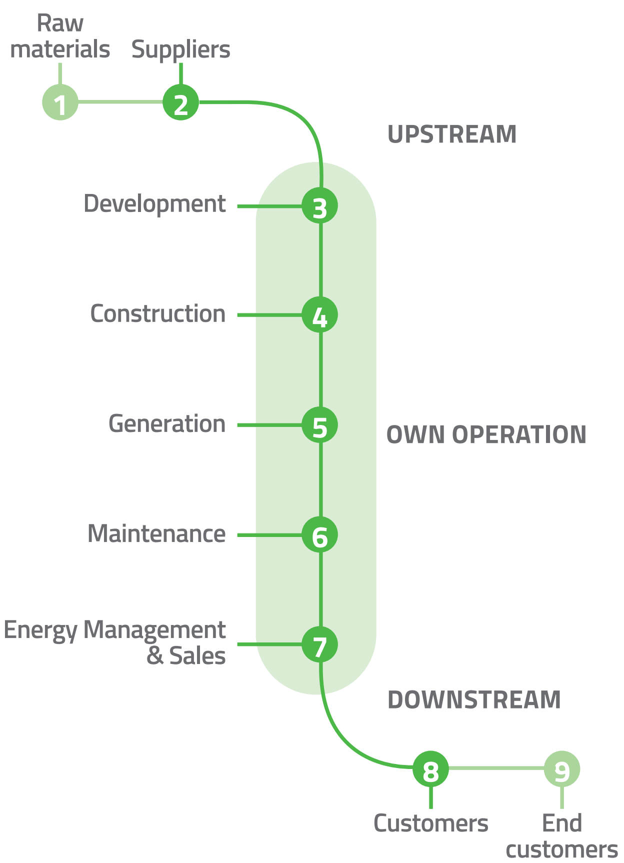
Value chain and ESG strategy

Value chain

The ERG Group is a leading independent operator of clean energy from renewable sources, in particular wind and solar power, and has integrated storage systems into its portfolio since 2025[9]. All activities over which the Group and/or its subsidiaries can exercise "operational control" are part of the ERG value chain. This control can only be carried out following the establishment of a "contractual relationship" that defines obligations and duties between the parties. Therefore, the following activities are included in this category:

- "Upstream": in particular, relations with the direct supply chain, with which a contract has been signed, and the subcontracting expressly indicated in the contract
- "Own Operations"[10]: all internal processes of the company, such as development, plant construction, production, maintenance and energy management
- "Downstream": commercial relations with organised markets and main customers/counterparties.

All upstream and downstream activities for which there is no commercial relationship formalised in a contract that allows carrying out operational control of the activities are excluded from the ERG Group value chain.



MAIN IMPACTS (I), RISKS (R) AND OPPORTUNITIES (O)

UPSTREAM (Supply chain):

Scope 3 GHG emissions of the supply chain (I) 2 / 4
Delays on RES investments due to Green Inflation (R) 2 / 4
Physical risks (acute/chronic) due to climate change (R) 2
Selection of suppliers attentive to ESG topics (O) 2

OWN OPERATIONS (Own activities)

Possible HSE incidents with repercussions on reputation (I) 2 / 3 / 4 / 5 / 6 / 7
Delays in the construction of RES plants (I) 2 / 4
Electricity price volatility with negative repercussions on strategic objectives and economic-financial results (R) 7
Extreme weather events with damage to plants / infrastructure (R) 4 / 5 / 6
RES development with positive effects on climate change and energy independence (O) 3 / 4 / 5 / 6
Investments in new green technologies (e.g., batteries) (O) 2 / 4
Attracting new green talents (O) 3 / 4 / 5 / 6 / 7
Virtuous circular economy paths in Wind & Solar (O) 4 / 5 / 6
Transition risks (e.g., laws) that slow down RES (R)

DOWNSTREAM (Customers)

Increased demand for renewable energy for the decarbonisation objectives of companies (O) 8
Increase in demand for RES due to phase-out from coal (O) 8

As of 31 December 2025, the Group counted 672 employees, broken down into the various countries[11] where the Group operates.

Group revenue amounted to EUR 752.4[12] million (EUR 738.1 million in 2024) and refers mainly to sales of electricity produced by wind and solar plants.

9 Please see the section Business Description.
10 See the section Organisational Model.
11 Please see section S1 for details.
12 Adjusted data, including Sweden's contribution.

"Successfully navigating the complexities of the energy market while maintaining our focus on expanding our portfolio also requires targeted M&A strategies, where asset rotation plays a key role in our business plan. This selective approach allows us to reallocate capital, reinforce our position in key segments of the value chain and sustain growth consistent with long-term value creation."

Corrado Bosio
Chief Corporate Strategy and M&A Officer

The ESG plan integrated into the business strategy

The international context made the energy transition increasingly complex in 2025, amidst difficulties in implementing climate commitments, growing geopolitical tensions and persistent fossil fuel interests. In parallel, the revision of the European regulatory framework on sustainability, and in particular the simplifications introduced to the CSRD, presents critical issues that risk weakening regulatory support for decarbonisation goals.

It is within this scenario that ERG SpA consistently pursues its path of decarbonisation and the creation of sustainable value, leveraging an ESG Plan integrated into the Group's strategy and periodically updated to strengthen its alignment with the context and strategic priorities.

The ESG strategy of the ERG Group is based on four pillars integrated in the business model: Planet, Engagement, People and Governance. The ESG Plan integrated in the Business Plan since 2021 sets out 18 well-defined objectives that are measurable through constantly monitored KPIs, with a view to contributing to the creation of value over time for all our stakeholders. The 18 objectives also contribute to achieving 14 of the 17 Sustainable Development Goals (SDGs) of the United Nations. The objectives apply to the corporate business at Group level, focused on the Wind, Solar & Battery perimeter, and are associated with the material topics identified. Please see the specific sections for direct correlation.

"In a scenario marked by increasing complexity and rapid change, maintaining consistency, credibility, and clarity with the market, the media and our stakeholders is essential. It is within this framework that we aim to generate long-term value by supporting growth that is sustainable, competitive and socially equitable."

Emanuela Delucchi
Chief ESG, IR & Communication

ESG, A STRATEGIC PRIORITY TO ADDRESS FUTURE CHALLENGES

Net Zero 2040 objectives to continue our decarbonisation process, protecting biodiversity
Circular Economy reducing waste in W&S repowering, continuing to research innovative technologies

Sharing Value building long-term partnerships with local communities
ERG Academy to involve the future generation in the energy transition

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

Consolidation of the governance model to ensure integrity, transparency and accountability throughout our organisation
Involving the supply chain in decarbonisation, D&I and the protection of human rights

(a) Diversity, equity, inclusion and belonging

The 2025 reporting of the ESG plan

In 2025, significant progress was confirmed along the path outlined by the ESG Plan, and the results achieved are in line with the objectives defined. These objectives are also included in the short-term incentive system (see the relevant section for details). A summary of the results is shown below.

Net Zero: on track; Carbon Index:15.1 gCO_2e/kWh

Circular economy: Wind Repowering: 100% recovery; Solar Revamping: 96% recovery

Biodiversity: 100% internally developed plants with Biodiversity Assessment

ERG Academy for Next Generation: 24,855 students involved in 5 countries: Italy, France, Spain, UK and USA

1% for the Community: 1.1% of revenue for local communities

Trust & Reputation: Top performer in the main ESG ratings

Social Purpose for Solar Revamping: 3 completed projects (panels donation)

ERG Academy for our People: 85% ERG People with individual development plan; 99.8% ERG People with actual participation in at least one training activity

Diversity & Inclusion: 18.4% women among key leaders; 25.0% key leaders abroad; 31.4% women in workforce

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

Health & Safety, always: 0 Fatalities; 3.73 Frequency Index (FI); 0.53 Severe Frequency Index (IF_sev)

Sustainability Incentives: 100% MBO/LTI aligned with ESG objectives

Enhancing governance model: 50% women in the Board of Directors of ERG S.p.A.; 60% women in the Supervisory Bodies; 53.3% women in Boards of Statutory Auditors

Tax Control Framework: Tax Control Framework (operational in Italy, France and Germany)

Sustainable Procurement: 64.4% average score of strategic suppliers(b); 66.7% suppliers with carbon footprint (>EUR 1M); 64% suppliers with D&I Policy[a]

ESG Finance: 97% of sustainable loans

Cyber Security: 9 courses issued in the year with 92.6% participation rate

(a) Assessment 2024

GOV-1 GOV-2

The Governance System

The sustainability governance model

For the ERG Group, sustainability is a complementary lever along the entire value chain. The ESG objectives and action lines are an integral part of the business strategy and are aimed at maximising sustainable value creation for the Group. In this context, a 'best in class' sustainability governance system has long been established, internationally recognised as such by the leading ESG rating agencies.

BOARD OF DIRECTORS

Defines the Group's principles of conduct, summarised in the Code of Ethics and the Sustainability Policy, and approves the Integrated Annual Report.

CONTROL, RISK AND SUSTAINABILITY COMMITTEE

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

SUPERVISORY BODY

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

CEO

Responsible for ESG activities.

ESG COMMITTEE

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

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

ESG FUNCTION

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

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

(a) Internal Control and Risk Management

ESRS 2 GOV-1 ESRS G1

The role of the administrative, management and supervisory bodies

The governance model

The Board of Directors

Corporate Governance involves a set of rules and activities. The elements comprising and giving rise to Corporate Governance are the statutory bodies, the board committees and the documents that regulate their operation. ERG Group Corporate Governance is structured according to a traditional model, based on which:

- the Board of Directors, appointed by the Shareholders' Meeting, determines and pursues the Group's strategic and ESG objectives
- the Board of Statutory Auditors, also appointed by the Shareholders' Meeting, performs control and supervisory functions.

The statutory audit is entrusted to Independent Auditors at the Shareholders' Meeting on the basis of a reasoned proposal by the Board of Statutory Auditors. The current Board of Directors is composed of 12 members. It was appointed at the Shareholders' Meeting on 23 April 2024 with a three-year mandate and will remain in office until the date of the Shareholders' Meeting called to approve the Financial Statements at and for the year ending 31 December 2026[13].
Employees or other workers are not represented in the company's administrative, management and supervisory bodies.

Director	Office	Role	Independent	M/m[1]	CRSC[2]	NRC[2]	SC[2]	No. other positions[3]
Edoardo Garrone	Chairman	Executive	No	M				1
Alessandro Garrone	Deputy Chairman	Executive	No	M			C	4
Giovanni Mondini	Deputy Chairman	Non-Executive	No	M			X	3
Paolo Luigi Merli	Chief Executive Officer	Executive	No	M			X	-
Paolo Arlandini[5]	Director	Non-Executive	No	n.a.			X	3
Elisabetta Caldera	Director	Non-Executive	ICFA/CG Code[4]	M		C		-
Federica Lolli	Director	Non-Executive	ICFA/CG Code[4]	M	C	X		1
Marina Natale	Director	Non-Executive	ICFA/CG Code[4]	M	X			2
Elisabetta Oliveri[6]	Director	Non-Executive	ICFA/CG Code[4]	M	X	X	X	2
Renato Pizzolla	Director	Non-Executive	No	M			X	2
Barbara Poggiali	Director	Non-Executive	No	M			X	5
Daniela Toscani	Director	Non-Executive	ICFA/CG Code[4]	m				1

1 Drawn from the list submitted by majority (M) or minority (m) shareholders or appointed on the basis of proposals submitted by majority (M) or minority (m) shareholders.
2 CRSC: Control, Risk and Sustainability Committee; NRC: Nominations and Remuneration Committee; SC: Strategic Committee. The CRSC and the NRC provide to the Board of Directors also the opinions required by the Procedure for Transactions with Related Parties.
3 This column indicates the number of offices as Director or Statutory Auditor held by the person concerned in Relevant Companies
4 Also taking into account, pursuant to the provisions of Article 2, recommendation 7, second paragraph, of the Corporate Governance Code, the "quantitative" and "qualitative" criteria defined in the Regulations for the operations of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee, for determining, for the purposes of assessing the independence of the members of the Board of Directors and the Board of Statutory Auditors, the significance or otherwise of any relationships they have with the Company or other parties connected to it.
5 Appointed by the Board of Directors on 12 December 2025 pursuant to Article 2386 of the Italian Civil Code, he will hold office until the next Shareholders' Meeting of ERG S.p.A.
6 Lead Independent Director.
C: Chairperson of the relevant Committee.
X: Member of the relevant Committee.

13 On 12 December 2025, following Luca Bettonte's resignation from his position as Director of ERG S.p.A. and member of the Strategy Committee, the Board of Directors, with the support of the Nomination and Remuneration Committee, pursuant to Article 2386 of the Italian Civil Code and Article 15 of the Articles of Incorporation, appointed Paolo Arlandini as the new non-executive Director of the company and member of the Strategic Committee, who will remain in office until the next Shareholders' Meeting of ERG S.p.A.

Protection of Minorities

A Director was appointed from the minority list submitted by a number of investors, in compliance with the principles of protecting minorities laid down in the Consolidated Finance Act (T.U.F.).

To ensure a fruitful and transparent dialogue with minorities, consistent with the objective of creating sustainable value in the medium-long term, ERG has adopted a Policy for the management of dialogue with shareholders and investors in general, updated by the Board of Directors on 23 February 2024 in order to extend its scope of application to all stakeholders.
This policy governs dialogue outside the Shareholders' Meeting with stakeholders on topics within the competence of the Board of Directors, including:

- operating performance and financial results
- medium to long-term strategy of the ERG Group
- corporate governance (appointment and composition of corporate bodies, including matters related to size, skills, independence and diversity)
- sustainability and environmental and social topics
- remuneration policies and internal control and risk management system.

For more details, refer to the Policy available on www.erg.eu

Respect for Gender Balance

The current Board of Directors, with six female Directors and six male Directors, complies with the gender balance criterion envisaged by current laws and regulations, which require that at least two-fifths of the members of the Board of Directors be reserved for the less represented gender (pursuant to Article 148, paragraph 1-bis of the T.U.F.).

The role of the administrative, management and supervisory bodies

GOV-1	Uom	2025					2024				
		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
Members of the administrative, management and supervisory bodies	no.	6	6	-	-	12	6	6	-	-	12
21. (a) Executive members	no.	3	-	-	-	3	3	-	-	-	3
21. (a) Non-executive members	no.	3	6	-	-	9	3	6	-	-	9
Independent board members	no.	-	5	-	-	5	-	5	-	-	5
Members of the administrative, management and supervisory bodies	%	50%	50%	-	-	100%	50%	50%	-	-	100%
Executive members	%	25%	-	-	-	25%	25%	-	-	-	25%
Non-executive members	%	25%	50%	-	-	75%	25%	50%	-	-	75%
21. (e) Independent board members	%	-	42%	-	-	42%	-	42%	-	-	42%
21. (d) Gender diversity	%					100%					100%

Corporate bodies and board committees

The board of statutory auditors

The current Board of Statutory Auditors is composed of three standing auditors and three alternate auditors. It was appointed by the Shareholders' Meeting on 22 April 2025 with a three-year mandate, which will expire on the date the Shareholders' Meeting is called to approve the Financial Statements as at 31 December 2027. A member of the Board of Statutory Auditors has held a comparable position in public administration (including regulatory authorities) in the last two years of his term of office.

Protection of Minorities

Pursuant to current regulations, the current Chairman of the Board of Statutory Auditors was drawn from the minority list submitted by some investors.

Respect for Gender Balance

The current breakdown of the Board of Statutory Auditors, with two female statutory auditors and one male statutory auditor, complies with the gender balance criterion envisaged by current laws and regulations, which require at least two fifths of the members of the control body to be reserved for the less represented gender, with rounding in the corporate bodies consisting of three members (pursuant to Article 148, paragraph 1-bis, of the T.U.F.).

The independent auditors

The Independent Auditors (KPMG) were appointed at the Shareholders' Meeting on 23 April 2018, for the years 2018 - 2026; therefore, the appointment for the statutory audit will expire on the date of the Shareholders' Meeting called to approve the Financial Statements as of 31 December 2026.

For further information on the role played by each body, see the "Report on Corporate Governance and Ownership" section on the website www.erg.eu

CORPORATE BODIES AND BOARD COMMITTEES

SHAREHOLDERS' MEETING

Approves the financial statements, appoints the Board of Directors, the Board of Statutory Auditors and the Independent Auditors, and resolves on changes to the Articles of Association and on extraordinary transactions such as mergers, demergers and capital increases.

BOARD OF DIRECTORS

Approves the periodic financial reports, defines the strategic guidelines, the fundamental aspects of the organisational structure and the corporate governance system, resolves on significant strategic transactions, and assesses the company's performance.

Composed of 12 members, 5 of which are independent[1], it held 10 meetings in 2025, with an average duration of around 2 hours and 45 minutes.

10 meetings | 2h 45' duration

BOARD OF STATUTORY AUDITORS

Monitors compliance with laws and with the Articles of Association, with the principles of sound management, the adequacy of the ICRM System[2] and the independence of the Independent Auditors.

Composed of a Chairwoman, 2 Standing Auditors and 3 Alternate Auditors. 23 meetings were held in 2025 with an average duration of around 2 hours and 45 minutes.

23 meetings | 2h 45' duration

CONTROL, RISK AND SUSTAINABILITY COMMITTEE[3]

Performs the role and tasks envisaged by the Corporate Governance Code for the Control and Risk Committee as well in relation to Sustainability and in particular it supports the Board of Directors' evaluations and decisions relating to the ICRM System, as well as those relating to the approval of the periodic financial reports, the Consolidated Sustainability Statement, the ESG Plan, those relating to Group Governance, the obligations pursuant to Italian Legislative Decree no. 231/01, anti-corruption, Finance and Risk Management.

Composed of a Chairwoman and 2 independent members[1], it held 11 meetings in 2025 with an average duration of around 1 hour and 45 minutes.

11 meetings | 1h 45' duration

NOMINATIONS AND REMUNERATION COMMITTEE[3]

The Committee fulfils the role and responsibilities indicated in the Corporate Governance Code for the Nominations and Remuneration Committee. It makes recommendations for the remuneration of Directors with powers or specific duties and for the definition of remuneration policies and Group's management incentive schemes.

It provides an assessment opinion on the size, composition and functioning of the Board of Directors and Board Committees.

Composed of a Chairwoman and 2 independent members[1], it held 7 meetings in 2025 with an average duration of around 1 hour and 40 minutes.

7 meetings | 1h 40' duration

STRATEGIC COMMITTEE

Supports the Executive Deputy Chairman and the Chief Executive Officer in fulfilling their mandate to the Board of Directors, within the scope of the strategies and policies approved by the Board. This includes overseeing the Group's strategic direction, defining strategic business and portfolio guidelines, reviewing multi-year Business Plans in line with the Corporate Governance Code, and evaluating the Group's investment budget, as well as major investments and transactions at Group level.

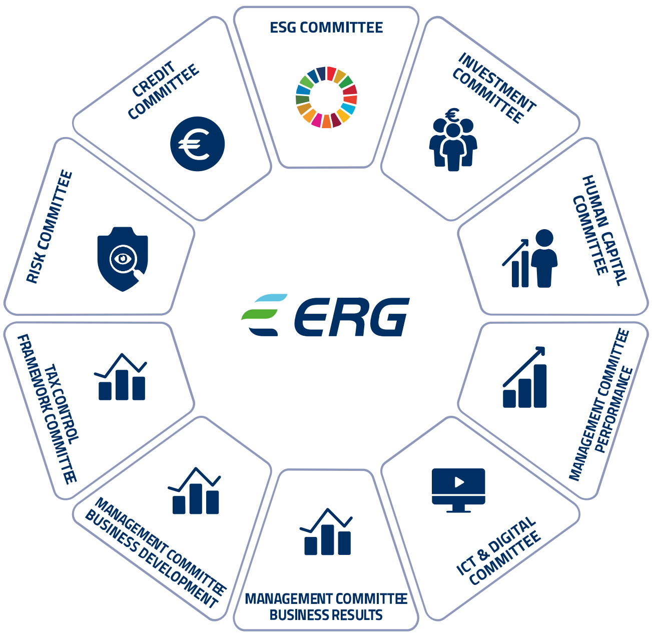
Consisting of a Chairman and 6 members, all of which independent[1], it held 12 meetings in 2025 wit an average duration of around 3 hours.

12 meetings | 3 h duration

1 With reference to the provisions of Article 148, paragraph 3, of the Italian Consolidated Law on Finance, Article 2, recommendation 7, of the Corporate Governance Code promoted by Borsa Italiana S.p.A. as well as in light of the "quantitative" and "qualitative" criteria defined in the Regulation for the operation of the Board of Directors, the Risk and Sustainability Committee and the Nominations and Remuneration Committee
2 Internal Control and Risk Management System
3 May issue opinions for the purposes of the procedure for transactions with related parties

Internal committees

ERG governance includes Internal Committees (non-board committees composed of Group managers) with advisory and proposal functions vis-a-vis Executive Directors.



ESG COMMITTEE

The Committee meets every two months: it guides, plans and supervises the implementation of ESG/CSR, Diversity & Inclusion and Internal and External Communication objectives and in particular: - defines the Group's medium/long-term sustainability guidelines and promotes the implementation of consistent practices and projects in the field of corporate social responsibility; - approves the ESG Initiatives Plan as an integral part of the Group's Business Plan, monitors its implementation, the achievement of targets and priority areas of intervention; - approves the Communication Plan, both externally and towards employees, also aimed at promoting the ESG initiatives of the plan, monitoring its execution and enhancing its growing relevance in strategic terms; - supervises the process of preparing the Consolidated Sustainability Statement and other reporting methods related to ESG topics; - approves the allocation of proceeds from Green Bond issues and the related annual reporting, in line with the Green Bond Control Framework; - ensures the adoption and the continuous and effective application of the gender equality policy, as a steering committee, with reference to the management system defined by UNI/PdR 125:2022.

INVESTMENT COMMITTEE

The Committee meets on a project-by-project basis: it supports the Chief Executive Officer in evaluating investment proposals; - it provides a reasoned technical and financial opinion for ERG S.p.A.'s Strategic Committee at various stages of the investment process.

HUMAN CAPITAL COMMITTEE

The Committee meets every two months: it defines and monitors the main human capital development programmes and processes; - it supports the Executive Deputy Chairperson and the Chief Executive Officer in decisions regarding strategies that determine the value of ERG's Human Capital; - it monitors the effective implementation of the Human Rights Policy and manages non-compliance reports relating to it.

MANAGEMENT COMMITTEE PERFORMANCE

The Committee meets on a monthly basis: - it monitors the industrial performance of the plants in operation in all the countries where the Group is present, with a specific focus on the main technical issues and on the monitoring of the implemented remediation actions; - it analyses all the other reasons for sub-optimal production (limitations, serial damage, etc.); - it monitors the progress of projects under construction on a monthly basis.

ICT & DIGITAL COMMITTEE

The Committee meets quarterly: it supports the CEO in the periodic review of the Group's ICT strategy, guidelines and governance and in monitoring the implementation, results and improvements also with reference to IT security issues; - it supports the CEO in the assessment of the main projects with high added value for the digitalisation of the Business and in monitoring the relative progress.

MANAGEMENT COMMITTEE BUSINESS RESULTS

The Committee meets on a monthly basis: it monitors the economic, financial and industrial results of the Group, including KPIs and thematic HSE, through standardised reporting and control models; - it monitors the evolution of the reference institutional and regulatory framework, sharing growth trends, opportunities and risks; - it monitors the activities and projects in the context of domestic and foreign institutional relations.

MANAGEMENT COMMITTEE BUSINESS DEVELOPMENT

The Committee meets every two months: it monitors the Group's relevant projects, supporting the relative Project Leader, as well as ensuring the alignment of all Organisational Units on the priorities and guaranteeing consistency with the decisions of the Investment Committee; - it analyses opportunities for business development, both in terms of geographical expansion and diversification and technological evolution.

TAX CONTROL FRAMEWORK COMMITTEE

The Committee meets every six months: it preliminarily analyses the Tax Control Framework testing, monitoring and assessment plan, providing any specific recommendations; - it preliminarily analyses the Tax Control Framework annual report addressed to the Control, Risk and Sustainability Committee of ERG S.p. A., providing any specific recommendations; - together with the Head of AFC Compliance, it monitors the effective implementation of the remediation plan that may result from the testing, monitoring and assessment of the Tax Control Framework.

RISK COMMITTEE

The Committee meets at regular intervals, each time according to specific needs: it supports the CEO in defining strategies and policies for managing financial and market risks; - it provides the CEO with useful information for authorising financial and market risk management operations, monitoring the execution of the most important operations and verifying their effects.

CREDIT COMMITTEE

The Committee meets every two months, unless otherwise decided by the Chairperson of the Committee: it has competence for the entire Group in matters regarding the granting of credit lines, schedule analysis and collection trends, assessment and verification of overdue recovery plans, general assessment of credit performance.

The responsibilities of the management, administrative and supervisory bodies

ESG induction to the Board of Directors and the Board of Statutory Auditors

The continuous training activity of the members of the Board of Directors and Board of Statutory Auditors is a priority for the ERG Group, in order to foster adequate knowledge of the business sector, corporate dynamics and their evolution, the principles of proper risk management and the regulatory and self-regulatory framework of reference, which is constantly evolving. This is why the possibility of reimbursing Directors and Statutory Auditors for expenses incurred in order to better perform their duties, such as training and refresher courses, participation in seminars and conferences or membership of associations, including trade associations, is expressly recognised.
The induction sessions conducted during the year 2025 for Board Members and Statutory Auditors totaled 10 hours of training. With regard to ESG topics, specific induction sessions were carried out in which the following main topics were discussed:

ESG TOPIC INDUCTION

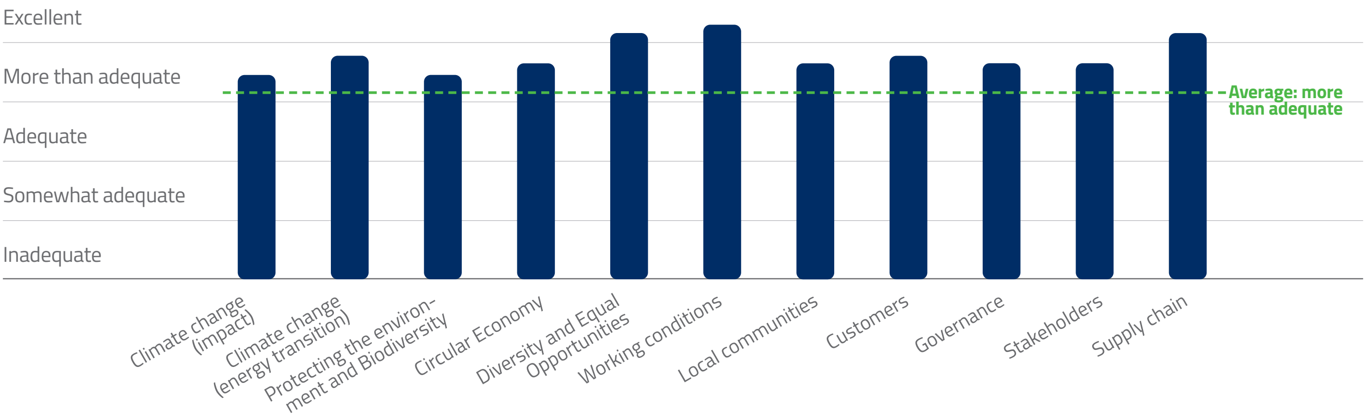
Analysis of the European context	Analysis of the European reference context, the standards and frameworks defined at international level (EU Green Taxonomy, New Corporate Sustainability Reporting Detective - CSRD), with a focus on the main new trends in the areas of climate change and diversity, equity & inclusion.
ESG **Analysis of the ESG Plan**	Detailed explanation of the objectives, including: ▪ "Net Zero" target by 2040 ▪ commitment in the communities where the Group operates ▪ ongoing processes in the field of diversity & inclusion ▪ MBO and LTI incentive schemes, which include ESG objectives ▪ projects to support the supply chain ▪ certifications obtained (e.g. UNI/PdR 125:2022 Gender Equality Certification) ▪ objectives in sustainable finance.
Analysis of the Consolidated Sustainability Statement	▪ Illustration of the double materiality process with its findings ▪ Analysis of the main indicators reported, for example: Revenue, OpEx and CapEx of the EU Taxonomy; Scope 1, 2 and 3 emissions; Gender Pay Gap; Employee training (hours and type).
ESG Rating	Analysis of the "proactive" approach towards ESG rating agencies that has allowed the Group to improve and/or maintain its results in all ratings.

Board of Directors and its committees self-assessment[14]

At its meeting of 25 February 2026, the Board of Directors conducted an assessment of the size, composition and functioning of the Board of Directors and its committees during the financial year 2025. The Nominations and Remuneration Committee supported the Board in this activity, overseeing the process, as well as the Corporate Affairs, Compliance 231 & Privacy department. The Board of Directors expressed its positive evaluation.
In light of the provisions of the ESRS, the ESG knowledge/skills of the members of the Board of Directors are reported below

ESG skills-expertise within the Board of Directors*

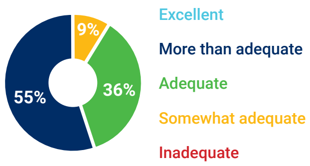
The average skills-expertise assessment is more than adequate (76%):
- three skills were rated as excellent
- eight skills were rated as more than adequate



* With respect to the business of the ERG Group and taking into account the objectives of the Business Plan and the ESG Plan.

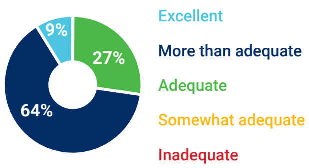
Climate change
(impact)

How do you assess your knowledge/expertise on the ***impact of climate change on the company's strategies and business (physical risks, reduction of windiness, reduction of irradiation in the medium/long term)?***



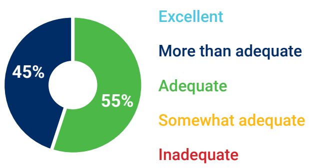
Climate change
(Energy transition)

Relative to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/expertise in the field of ***energy transition (transition plans, decarbonisation strategy, renewable development, green finance)?***



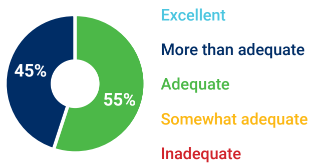
Protecting the environment and Biodiversity

With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/skills regarding the ***measures adopted by the company for the protection of the environment and biodiversity (impact on soil, ecosystems, protected flora/fauna species) and the mitigation of impacts? In particular, this refers to the measures taken within the permitting processes for the purposes of environmental impact assessments.***



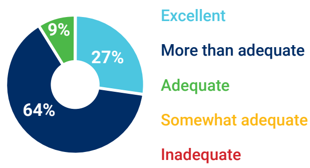
Circular Economy
(and Use of Resources)

With regard to the business developed by the Company and taking into account the strategic objectives set out in the ESG Plan, how would you rate your knowledge/skills regarding the measures adopted by the Company for ***the use and management of the materials that make up the plants at the end of their life cycle, including waste management?***



Diversity and Equal Opportunities
(Own workforce)

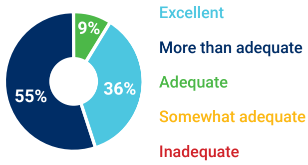
With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/skills regarding the measures adopted by the company to ***promote fairness, equal opportunities and the well-being of employees (including persons with disabilities) and to ensure compliance with working conditions (including health and safety in the workplace and human rights)?***



14 For the details of the responsibilities, also with reference to the board committees, please see the Report on Corporate Governance.

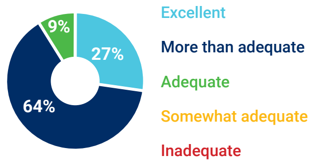
Working conditions
(in the Value chain)

With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you rate your knowledge/ skills regarding the measures adopted by the company to ***ensure compliance with employee working conditions in the value chain (including health and safety in the workplace and human rights)?***



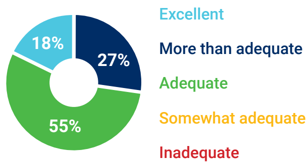
Governance
(Corporate Culture)

With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how would you rate your knowledge/skills regarding the measures adopted by the company to ensure ***sound governance and ethical and transparent conduct (including processes for reporting any irregularities and protecting whistleblowers)?***



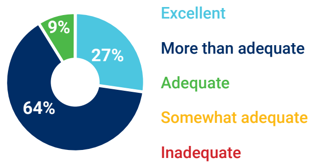
Local communities

With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how would you rate your knowledge/ skills regarding the measures adopted by the company for ***the economic and social development of the local communities where the Company invests (sharing the value generated through community benefits)?***



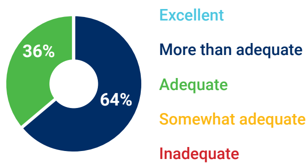
Stakeholders
(Lobbying activities)

With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/ skills regarding the measures adopted by the company to ***involve stakeholders (such as institutions and authorities)*** *in order to* ***protect their interests*** *(subject to half-yearly reporting to the Board of Directors)?*



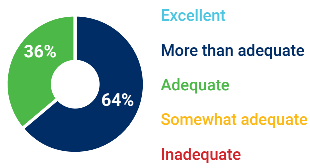
Customers
(Consumers and end-users)

With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how would you rate your knowledge/ skills regarding the measures adopted by the company for the ***responsible and ethical management of customers?***



Supply chain
(Management of relationships with suppliers)

Relative to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/expertise in the field of ***sustainable supply chain management (including payment practices)?***



Board of Statutory Auditors Self-assessment[15]

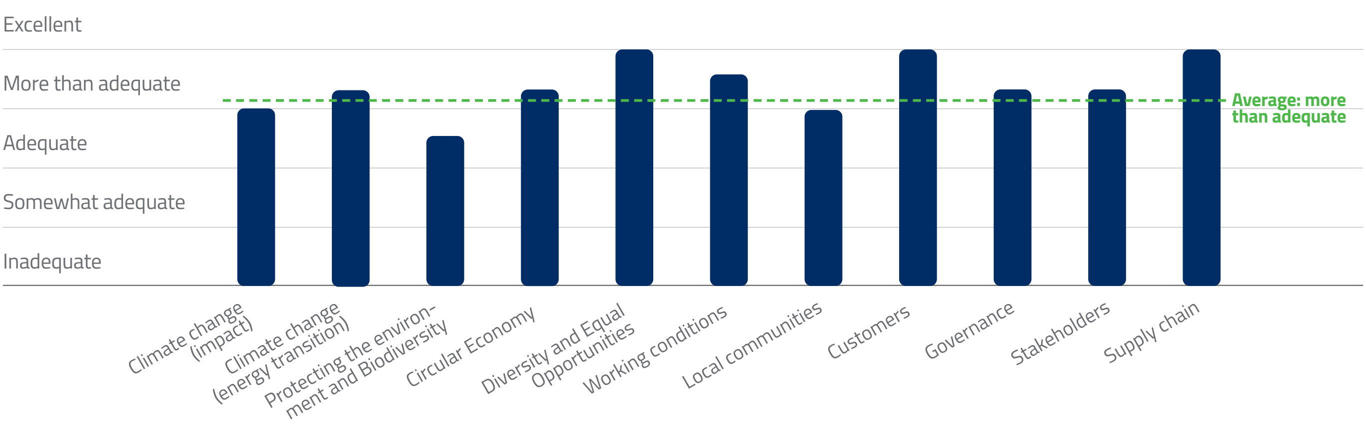
The Chairman of the Board of Statutory Auditors, in the meeting held on 25 February 2026, informed the Board of Directors on the results of the self-assessment carried out on the size, composition and functioning of the Board of Statutory Auditors in the course of 2025. This assessment was carried out using, inter alia, the findings of a self-assessment questionnaire drawn up by the Corporate Affairs, Compliance 231 & Privacy functions, at the request of the Board of Statutory Auditors itself.

In light of the provisions of the ESRS, the ESG knowledge/skills of the members of the Board of Statutory Auditors are reported below.

ESG Skills-Expertise of the Board of Statutory Auditors*

The average skills-expertise assessment is more than adequate (69%):

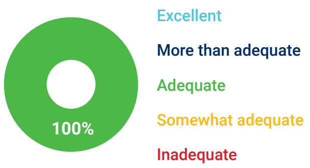
- eight skills were rated as more than adequate
- three skills were rated as adequate



* With respect to the business of the ERG Group and taking into account the objectives of the Business Plan and the ESG Plan.

Climate change
(Impact)

*How do you assess your knowledge/ expertise on the **impact of climate change on the company's strategies and business (physical risks, reduction of windiness, reduction of irradiation in the medium/long term)?***



Climate change
(Energy transition)

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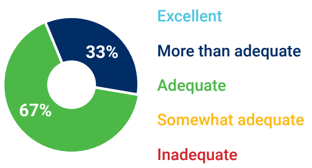
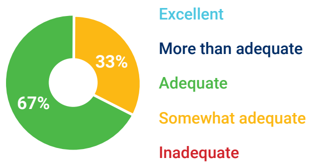


Protecting the environment and Biodiversity

*With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/skills regarding the measures adopted by the company to **protect flora/fauna and mitigate impacts? In particular, this regards the measures taken within the permitting processes for the purposes of environmental impact assessment?***



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(and Use of Resources)

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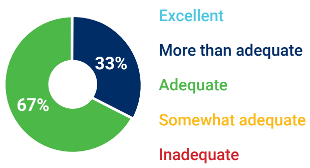
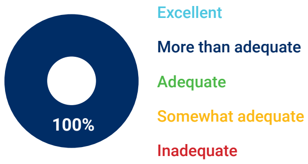


15 For the details of the responsibilities, also with reference to the board committees, please see the Report on Corporate Governance.

Diversity and Equal Opportunities
(Own workforce)

*With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/ skills regarding the measures adopted by the company to **promote fairness, equal opportunities and the well-being of employees (including persons with disabilities) and to ensure compliance with working conditions (including health and safety in the workplace and human rights)?***



Governance
(Corporate Culture)

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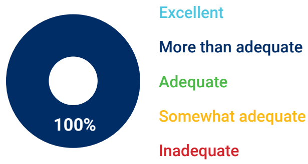

Working conditions
(in the Value chain)

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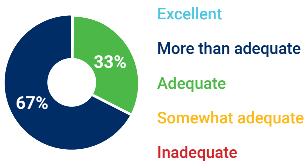

Stakeholders
(Lobbying activities)

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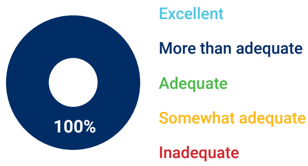

Local communities

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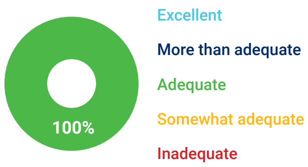
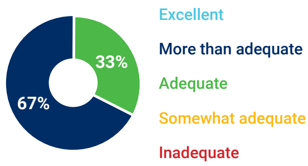


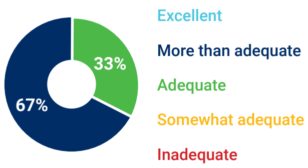
Supply chain
(Management of relationships with suppliers)

*Relative to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how do you assess your knowledge/expertise in the field of **sustainable supply chain management (including payment practices)?***



Customers
(Consumers and end-users)

*With regard to the business developed by the company and taking into account the strategic objectives set out in the ESG Plan, how would you rate your knowledge/ skills regarding the measures adopted by the company for the **responsible and ethical management of customers?***



GOV-3

Sustainability-related performance in incentive schemes

The Performance Management system follows a cascading logic along the organisational structure. The annual objectives of the CEO's first line are defined first, followed by those of the employees, and then the results achieved during the year are measured. The objectives are both corporate and individual and include a moment for discussing them at the beginning and end of the year to capitalise on learning.

The incentive system is articulated along two time lines:

- short-term, based on a Management By Objectives (MBO) approach;
- medium to long-term, based on the performance share system, i.e., the allocation of shares linked to the achievement of specific multi-year objectives.

Consistent with the integration of sustainability in every Group strategy and activity, the targets linked to the ESG Plan represent a fundamental element for all the incentive systems. Each system includes a Group sustainability objective common to all participants, consisting of four sub-objectives linked to the Pillars of the ESG Plan: Planet, Engagement, People, Governance.

The incentive systems are an integral part of the 2025 Remuneration Policy approved by the Board of Directors on 11 March 2025, at the proposal of the Nominations and Remuneration Committee, having obtained the favourable opinion of the Board of Statutory Auditors and of the Shareholders' Meeting on 22 April 2025.

Short-term Incentive System

The beneficiaries of the short-term incentives are the Chief Executive Officer, Senior managers and a selected population of professionals (73% of Middle Management in Italy in 2025). Women represent 29% of the participants in the system (up from 28% in 2024).

The system includes the assignment of both common targets related to earnings before tax (EBT) and sustainability, as well as individual targets. The balancing of objectives - between Group economic and sustainability objectives and individual ones - makes it possible to support the development of leadership and individual initiative, with a view to sustainable success.
The common sustainability target affects the CEO's variable remuneration by 20% and that of the other beneficiaries by 10%.

There is also a specific sustainability target for the CEO, based on the indicator of installed renewable production capacity in MW, and representing 30% of his variable remuneration.

44% of beneficiaries work on at least one personal objective related to the Sustainability Plan, which on average represents 19% of the short-term variable remuneration related to targets.
The individual objectives linked to sustainability topics represent 30% of the total individual objectives assigned.

The system includes a clawback clause and is exercisable within three years of the accrual of the incentive payment.

Sustainability objectives in short-term incentives

MBO		Weight CEO	Weight others	Unit	Target	Actual	Floor 80%	Target 100%	Cap 120%	Result
Sustainability Objective		**20%**	**10%**							**113%**
Planet	Circular Wind on Repowering (% of material or energy recovered)	4%	2%	%	98%	100%				**120%**
Engagement	ERG Academy for Next Generation (number of students involved in educational activities on Sustainability and/or RES)	2%	1%	n.	23,500 (4 country)	24,855 (4 country)				**118%**
	Social Purpose for Solar Revamping (number of projects achieved)	2%	1%	n.	2	3				**120%**
People	Safety Always - HSE: No fatalities and compliance with Frequency indices [employees + contractors]: combined [IF] and severity [IFsev]	8%	4%	Indice	IF< 3.40 IFSev < 1.90 No fatalities	IF< 3.73 IFSev < 0.53 No fatalities				**105%**
	Impact of the female gender on workforce growth(1)	2%	1%	%	35%	50%				**120%**
Governance	Number of Actions completed: 1) Climate Change: assessment on Physical Risk (Wind Droughts) 2) Cyber Security training 3) Update of Sustainability Policy	2%	1%	n.	2	3				**110%**

(1) Calculated as the ratio between the change in women workforce and the total workforce change.

Moreover, for all employees in Italy covered by the National Collective Bargaining Agreement (CCNL) for the electricity sector, an annual "Result Bonus" is defined - as instituted by the CCNL - based on parameters of company profitability (50%) and productivity (40%). The last 10% is related to the accident index, thus a specific target linked to the People pillar of the Sustainability Plan.
The targets and their variability in the Floor, Target and Cap scenarios are agreed annually between the company and trade union representatives.

Medium/Long-term Incentive System

The 2024-2026 Performance Share Incentive System is defined in line with the objectives of the Business Plan and its time horizon corresponds to the three-year mandate of the Board of Directors. The recipients of the Plan, selected on the basis of the levers that can be used to achieve the Business Plan, are the Chief Executive Officer, the Executive Deputy Chairman, the Directors and Senior managers of the Group. The system contributes to the implementation of the strategy by incentivising management to achieve results consistent with the objectives of the Business Plan, with a view to the sustainable success of the company.

The system involves the allocation of a pre-established number of ordinary ERG shares. The shares are assigned at the end of the three-year vesting period if a predetermined Group EBITDA (earnings before interest, tax, depreciation/amortisation and impairment losses) target is met for the 2024-2026 period.

Upon achievement of the Minimum Economic Performance Condition, the number of shares that will be allocated depends on the results achieved with respect to the objectives: 60% ERG Share, 20% Incremental productive growth in MW in the years 2024-2026 and 20% Sustainability.

At the end of the vesting period, 30% of the shares allocated will be subject to an additional lock-up period of 12 months (which will conclude in 2028), during which said shares are subject to a non-transferability constraint.

The Plan includes a clawback clause and is exercisable within three years after the right to the incentive payment accrues.

Sustainability objectives in long-term incentive 2024-2026			
LTI 2024-2026		**Indicator weight**	**Unit**
Sustainability Objective		**20%**	
Planet	Target Net Zero: percentage of Green Energy on Total consumption (Scope 2)	4%	%
Engagement	Improved S&P CSA index rating	4%	n.
People	Safety Always - HSE: No fatalities and compliance with Frequency indices [employees + contractors]: combined [IF] and severity [IFsev]	8%	n.
	Diversity & Inclusion: female Key Leaders out of total Key Leaders	2%	%
Governance	Sustainable Funding: maintenance of a percentage of sustainable loan sources out of total financial sources	2%	%

The progress of the projects within the sustainability objective are compared with the targets and periodically shared and analysed by the ESG Committee, the Nominations and Remuneration Committee and approved by the Board of Directors.

The Business Development incentive system was set up alongside the Performance Share plan and is defined in line with the development phases of organic wind and solar green field projects and with an average time horizon of more than two years. The objective of the system is to increase the production capacity of wind and solar energy, integrating it 100% into the Sustainability Plan. The recipients of the Business Development System are the French and German teams dedicated to wind and solar development projects, which represent 4% of the total workforce. The progress of the projects, with respect to the predefined milestones, is periodically shared and analysed by the Business Development Committee.

Integration of sustainability-related performance into incentive schemes

GOV-3	Uom	2025	2024
29. d) the portion of variable remuneration (MBO) that depends on targets and/or impacts related to sustainability CEO	%	50%	50%
29. d) the portion of variable remuneration (MBO) that depends on targets and/or impacts related to sustainability-KMs(1) and other beneficiaries	%	10%	10%
29. d) the portion of variable remuneration (LTI) that depends on sustainability-related targets and/or impacts	%	40%	40%
29. d) the portion of variable remuneration (Italian employees) that depends on sustainability-related targets and/or impacts;	%	10%	10%

(1) Key Managers

GOV-5 IRO-1 SBM-3

Double Materiality

With the entry into force of the Corporate Sustainability Reporting Directive (CSRD) and the adoption of the ESRS 1 - General Requirements reporting standard, companies must comply with the double materiality criterion as a basic requirement of Consolidated Sustainability Reporting.
Material topics are those that generate material Impacts, Risks or Opportunities (IRO) for the company, affecting its future cash flows in the short, medium or long term with repercussions on development, performance and positioning in the short, medium or long term.
The ERG Group already used the double materiality approach in the previous two years, and updated it in 2025 with the involvement of all key stakeholders.

The standard in use establishes as material, for reporting purposes, a question of sustainability where it alternatively or simultaneously meets the criteria defined for impact materiality and financial materiality (known as Double Materiality).
Specifically:

- *Impact Materiality* allows the identification and assessment of all the actual or potential, positive or negative, significant impacts generated by the company in the short, medium or long term
- *Financial Materiality allows* the identification and assessment of the actual or potential significant risks and opportunities generated by the company in the short, medium or long term;

The double materiality analysis is updated with input from the ERM - Enterprise Risk Management Department, which has the expertise to identify and assess risks and opportunities related to Group-wide activities.

The methodology is divided into the following phases:

A. Context analysis. The starting point of sustainability reporting is analysing the context in which the organisation operates, also through sector benchmarks, and thus the description of the business strategy adopted, the financial results, the regulatory context and the specific regulations applicable to the company, the main business relationships, the geographical area and the nature of the activity carried out by the company.
B. Identification of Material Topics. The ERG Group used the Topics of the ESRS, which indicate those that must be assessed by companies. All 12 ESRS topics were chosen for evaluation: 10 were considered material, while 2 were excluded because they do NOT apply to the Group's business, as a pure Renewable on-shore operator, as indicated below:
    - E1 Climate Change: Energy transition plan, emission reduction strategy, development of renewables.
    - E2 Pollution in air, water and/or soil (including microplastics). Topic not applicable as the Group produces 100% of its electricity from renewable sources, with no direct pollutant emissions. In particular, ERG does not emit nitrogen oxides (NOx), sulphur oxides (SOx) or particulate matter (PM). Limited impacts may only occur in the construction and decommissioning phases of plants, linked to the use of conventional means of transport, but these are negligible considering the useful life of the plants which exceeds 20 years.
    - E3 Water and marine resources (withdrawal, consumption, treatment and discharge) and marine resources (extraction and use). Topic not applicable, as the water use in production cycles is minimal and negligible, limited only to washing solar panels (in 2025 equal to 62 m^3). The water is purchased from third parties and demineralised; it is free of harmful substances and re-enters the natural cycle after washing, thus consumption is zero and no waste water is generated, making the implementation of specific water management activities unnecessary.
    - E4 Biodiversity and ecosystems: use of water and land; impacts on ecosystems and protected species.
    - E5 Resource use and circular economy: use of natural resources; end-of-life management of plants; waste management.
    - S1 Own workforce: respect for working conditions, including health and safety and human rights.
    - S2 Workers in the value chain including health and safety and human rights.
    - S3 Affected Communities , where the company invests.
    - S4 Consumers and end-users
    - G1 Business conduct , within which the following three topics were identified:
        - Corporate Culture: including the presence of processes for reporting any irregularities, which guarantee whistleblower protection, and the fight against corruption; Sustainable Finance; ICT; Tax Strategy.
        - Lobbying activities (e.g., with institutions and authorities) to protect their interests
        - Management of relationships with suppliers, including payment practices.

C. Identification of impacts, risks and opportunities related to material topics. Through the involvement of the ESG Committee, the impacts, risks and opportunities associated with material topics were assessed while taking into consideration all activities, business relationships, geographies and value chains of the Group.
    - The main events generated by the company with respect to the external context (inside-out logic) were identified as impacts (negative or positive)
    - The topics that derive from the external context and may influence Company performance (outside-in logic) were assessed as "risks" and "opportunities".

Following this analysis, the main impacts, risks and opportunities, actual or potential, generated or suffered by the ERG Group were assessed:

- according to their degree of severity (or benefit in the case of positive impacts) and likelihood, following a "high, medium, low" scale in the short term (within one year), medium term (between 2 and 5 years) and long term (over 5 years). Severity and benefit take into account scope, scale and, only in the case of negative impacts, irremediable nature;
- in terms of both inherent risk (without mitigation strategies) and residual risk (after the implementation of mitigation strategies), through the quantification of the severity of possible financial effects and the relative probability according to a "high, medium, low" scale in the short term (within one year), medium term (between 2 and 5 years), and long term (over 5 years).

The final materiality was assessed taking into consideration the inherent risk (as required by the interpretative guidelines on the double materiality process).

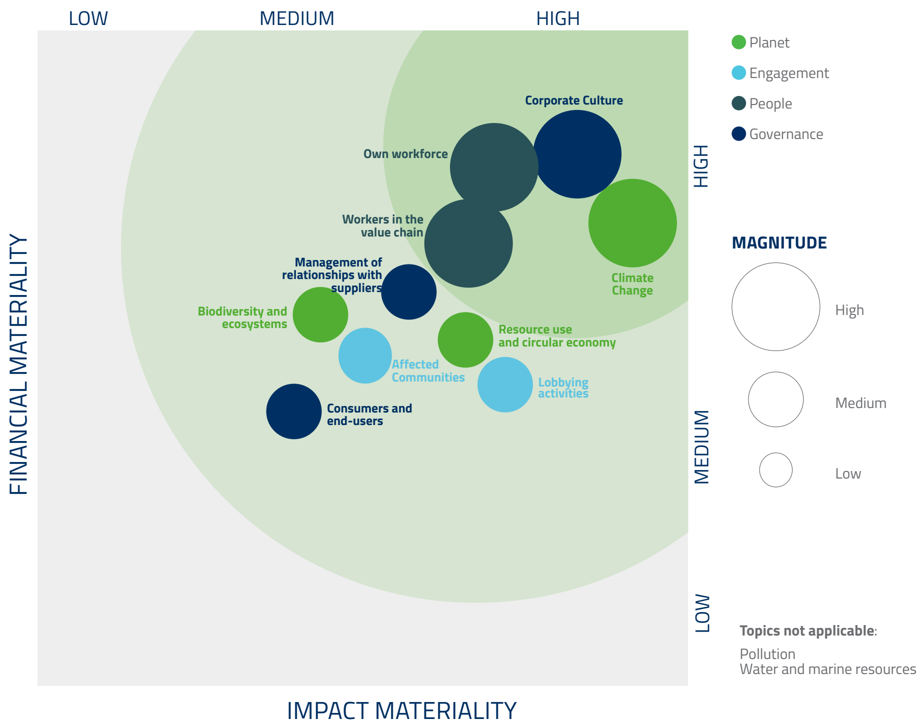
The severity assigned to risks and opportunities was expressed with a "high, medium or low" scale representing, according to a qualitative approach, the importance of the risks and opportunities associated with the topic in question.

D. Stakeholder Engagement. The stakeholders to be involved were identified, inviting them to respond to an online survey to express their assessment of the IROs related to the topics identified in the previous point:
   - For Impact Materiality, the results obtained in 2024 were maintained, where the evaluation of the relevant topics from the perspective of the impacts generated by the ERG Group had involved all stakeholders (suppliers, customers, employees - including trade union representatives - shareholders, media, etc.). They had assessed the impacts generated with respect to a scale of three values (low, moderate, significant) in the short (within one year), medium (between two and five years) and long term (over five years).
   - For Financial Materiality, and in particular to identify the topics of financial materiality for the ERG Group, it was decided to update the analysis in 2025, also in view of the global geopolitical situation. The members of the ESG Committee, who are familiar with the sustainability aspects of the company's strategies, and a team of external experts (called the expert session) with high expertise on key sustainability topics and strategies (e.g., decarbonisation of the value chain, circular economy, workforce, DE&I issues, supply chain, etc.) were involved. Each person provided their opinion on the IROs based on a scale of three values (low, moderate, significant) in the short (within one year), medium (between two and five years) and long term (over five years).

E. Assessment and prioritisation. The responses were analysed to understand the topics considered significant (or material) from the point of view of both Impact Materiality and Financial Materiality:
   - "High" severity indicates an event that may have a material impact on the Group's strategies or its results (e.g., extreme weather events that limit plant operation for a considerable period)
   - "Medium" severity indicates an event that may have a moderate impact on the Group's strategies or its results (e.g., incidents at plants that limit their operation for a limited period)
   - "Low" severity indicates an event that has no impact, or a negligible impact, on the Group's strategies and results.
   - Once the IROs were identified, both on the basis of impact materiality (updated in 2024) and with respect to financial materiality (updated in 2025), each topic was assigned relevance for double materiality purposes. The topics with at least a medium rating are the "material topics" to be reported in this document.

The project involved the ESG Committee as the main stakeholder, and the scope of analysis included all the countries where the Group operates as of 31 December 2025. The activities were coordinated by the ESG Department in collaboration with the Enterprise Risk Management (ERM) Department. The support of the ERM Department has several objectives:
- to check whether the main negative impacts and/or risks identified in the ESG sphere are already included in the Risk Catalogues of the ERG Group (e.g., Climate change; Environmental & Biodiversity)
- to check whether the management strategies identified in the Risk Policy are effective in ensuring the mitigation of the same negative impacts and/or risks.

The materiality was approved by the ESG Committee on 18 December 2025 and the Control, Risk and Sustainability Committee on 10 December 2025.



"IMPACT MATERIALITY" Results

■■■ High Magnitude ■■□ Medium Magnitude ■□□ Low Magnitude

Short: within one year Medium: within 5 years Long: over five years

Topic	Impact	Inherent Risk	Mitigation strategy	Residual Risk
E1 **Climate change (entire value chain)**	**Impact (negative):** ▪ Delays in the implementation of RES growth targets (potential). ▪ Failure to achieve the decarbonisation targets in the supply chain (potential). **Impact (positive):** ▪ Development of renewable energy capable of reducing greenhouse gas emissions (GHG) and mitigating impacts on climate change (actual). ▪ Decarbonisation objectives verified and validated according to a scientific approach by an independent body (Science Based Target initiatives) (actual).	Short ■□□ Medium ■■■ Long ■■■	▪ Strategic plan (five-year horizon) that envisages a strategy for the development of RES that are 100% aligned with the EU Taxonomy. ▪ Technological (Wind, Solar & Battery) and geographical diversification of the generation portfolio. ▪ ESG plan with decarbonisation objectives throughout the value chain approved by SBTi and in line with the objectives of the Paris Agreement (actual). ▪ Asset modernisation and efficiency programs (Repowering/Revamping) that make it possible to extract greater value from renewable sources (Wind & Solar).	Short ■□□ Medium ■□□ Long ■□□
E4 **Biodiversity and ecosystems (whole value chain)**	**Impact (negative):** ▪ Incidents on plants with negative repercussions on the environment and biodiversity and on the Group's reputation (potential). ▪ Alteration of natural habitats by wind and solar plants (potential). **Impact (positive):** ▪ "Environmental and Biodiversity Impact Assessment" (prepared by experts in the field), and continuous monitoring, in line with the authorisation requirements, to ensure the preservation of habitats and minimise any negative impacts (actual).	Short ■■□ Medium ■■□ Long ■■□	▪ Strategic plan that includes the development of renewable technologies (Wind, Solar & Battery) with "negligible/limited" impacts on the environment and biodiversity compared to other electricity generation plants. ▪ Development of an ESG Plan with measurable biodiversity objectives. ▪ "Environmental Impact and Biodiversity Assessment" carried out during the authorisation phase of Wind & Solar projects. ▪ Monitoring programme to reduce impacts on biodiversity (where envisaged by provisions). ▪ HSE incident reporting process. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
E5 **Resource use and circular economy (entire value chain)**	**Impact (negative):** ▪ End-of-life waste management problems (potential). **Impact (positive):** ▪ Development of renewable technologies (Wind & Solar) that involve the recycling/reuse of most of the materials that make up the plants (actual).	Short ■■■ Medium ■■□ Long ■■■	▪ Development of an ESG Plan with measurable strategies and objectives on the circular economy, making it possible to reduce the amount of material to be sent to landfill during plant modernisation (Wind Repowering and Solar Revamping). ▪ Life Time Extension Program for plants. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
S1 **Own Workforce (own activities)**	**Impact (negative):** ▪ Serious HSE incidents of own employees with negative impacts on the Group's reputation (potential). ▪ Report of workplace harassment, with negative repercussions on reputation (potential). ▪ Failure to enforce D&I and/or Employee Well-being policies, with loss of key figures (potential). **Impact (positive):** ▪ Working conditions and high safety standards for all workers at the plants (actual). ▪ HR policies (e.g., Corporate Welfare, Remote Working, Flexible benefits) that meet the needs of employees and make it possible to attract talent (actual). ▪ training for employees' personal and professional growth (actual).	Short ■■□ Medium ■■■ Long ■■□	▪ Development of an ESG Plan with measurable strategies and objectives on Diversity, Equity, Inclusion & Belonging to attract and retain talent, including reports within the sustainability reporting. ▪ OHSAS 45001 certified management systems, with HSE audits in the field and third-party audits. ▪ HSE incident reporting process. ▪ Whistleblowing process and channel for reporting harassment.	Short ■□□ Medium ■□□ Long ■□□
S2 **Workers in the value chain (upstream and downstream)**	**Impact (negative):** ▪ Failure to verify working conditions along the value chain (including health and safety and human rights) (potential). **Impact (positive):** ▪ Adoption of high ESG standards along the value chain and selection of counterparties according to ESG criteria (decarbonisation; HSE; human rights) (actual).	Short ■■■ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with strategies and objectives along the value chain (decarbonisation; D&I; human rights). ▪ "Sustainable Procurement" project which envisages in particular: the selection of suppliers who manage their production processes from an ESG perspective; the use of a "K-technical" for tenders > EUR 100K favours the most virtuous suppliers on ESG topics. ▪ Selection of industrial customers with a solid economic-financial profile (Investment Grade rating). ▪ Contracts with safeguard clauses (Code of Ethics, 231 Model). ▪ Whistleblowing process for reporting violations (e.g., human rights).	Short ■□□ Medium ■□□ Long ■□□

■■■ High Magnitude ■■□ Medium Magnitude ■□□ Low Magnitude

Short: within one year Medium: within 5 years Long: over five years

Topic	Impact	Inherent Risk	Mitigation strategy	Residual Risk
S3 **Affected communities (entire value chain)**	**Impact (negative):** ▪ Risks related to plants (e.g., accidents and/or fires) that may have negative repercussions on the local communities concerned (potential). **Impact (positive):** ▪ Analysis and assessment of the main risks during the plant design phase and definition of the main mitigation and monitoring actions (actual). ▪ Sharing value with local communities for the economic and social development of the territory (actual).	Short ■■□ Medium ■■□ Long ■■■	▪ Development of an ESG Plan with the aim of sharing value with local communities. ▪ Stakeholder mapping with identification of expectations and engagement methods. ▪ Stakeholder Engagement programme based on transparency and enhancing relationships with all stakeholders. ▪ Permitting process that includes the direct involvement of local communities throughout the authorisation process. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
S4 **Consumers and end-users (downstream)**	**Impact (negative):** ▪ Non-responsible or ethical management of customer relations (potential). **Impact (positive):** ▪ Sale of renewable electricity that supports the decarbonisation strategies of customer companies (actual).	Short ■□□ Medium ■■□ Long ■■□	▪ Selection of industrial customers with a solid economic-financial profile (Investment Grade rating). ▪ Contracts with safeguard clauses (Code of Ethics, 231 Model). ▪ *annual customer satisfaction* survey. ▪ Whistleblowing process for reporting violations.	Short ■□□ Medium ■□□ Long ■□□
G1 **Corporate culture (entire value chain)**	**Impact (negative):** ▪ Failure to achieve the objectives set out in the Business/ESG Plan (e.g., economic-financial and/or decarbonisation objectives) (potential). **Impact (positive)** ▪ Adoption of incentive systems (MBO/LTI) aligned with the objectives of the Business Plan/ESG Plan (actual). ▪ Adoption of responsible and transparent governance practices in reporting ESG topics, which can have a positive impact on organisations that invest in the energy transition (actual).	Short ■■■ Medium ■■□ Long ■■■	▪ Incentive systems (MBO/LTI) linked to the objectives of the Business Plan/ESG Plan. ▪ Endorsement of the Corporate Governance Code for Listed Companies issued by Italian Stock Exchange. ▪ Internal Control and Risk Management System compliant with other standards and best practices, in terms of: internal regulations adopted by the Board of Directors (e.g., Code of Ethics, Sustainability Policy, Human Rights Policy; D&I); Committees supporting the Board of Directors (Risk & Sustainability Committee, Nominations and Remuneration Committee); Committees supporting the CEO (Strategic Committee; ESG Committee; Human Capital Committee; Management Committee, etc.). ▪ Supervisory Committee, established pursuant to the 231 Model, acting as "Ethics Committee". ▪ Whistleblowing process and channel for receiving reports.	Short ■□□ Medium ■□□ Long ■□□
G1 **Lobbying activities (own activities)**	**Impact (negative):** ▪ failure to implement Stakeholder Engagement programmes for RES development (potential). **Impact (positive):** ▪ implementation of Stakeholder Engagement programmes at international and national level to achieve energy independence through RES development in the reference countries (actual).	Short ■■□ Medium ■■■ Long ■■■	▪ Stakeholder mapping with identification of expectations and engagement methods. ▪ Stakeholder Engagement Programme based on transparency and the enhancement of relations with all stakeholders. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
G1 **Management of relationships with suppliers (upstream)**	**Impact (negative):** ▪ Failure to verify ESG topics along the supply chain (including health and safety and human rights) (potential). **Impact (positive):** ▪ Adoption of high ESG standards and selection of suppliers according to ESG criteria (decarbonisation; HSE; human rights) (actual).	Short ■■□ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with strategies and objectives in the supply chain (decarbonisation; D&I; human rights). ▪ "Sustainable Procurement" project which envisages in particular: the selection of suppliers who manage their production processes from an ESG perspective; the use of a "K-technical" for tenders > EUR 100K favours the most virtuous suppliers on ESG topics. ▪ Contracts with safeguard clauses (Code of Ethics, Supplier Code of Conduct, etc.). ▪ Whistleblowing process and channel for reporting violations (e.g., human rights).	Short ■□□ Medium ■□□ Long ■□□

FINANCIAL MATERIALITY" Results

■■■ High Magnitude ■■□ Medium Magnitude ■□□ Low Magnitude

Short: within one year Medium: within 5 years Long: over five years

Topic	Risk/Opportunity	Inherent Risk	Mitigation strategy	Residual Risk
E1 **Climate change (entire value chain)**	**Risks:** ▪ Increase in extreme events caused by climate change that can damage plants and/or infrastructure and/or the supply chain. ▪ Negative impacts of climate change on RES production in the medium/long term due to the reduction of natural resources (e.g., wind). **Opportunities:** ▪ More stringent regulations that require greater transparency on emissions, with a positive effect on business related to renewables. ▪ Increased demand for electricity from RES due to coal phase-out and/or business decarbonisation objectives. ▪ Access to green loans and incentives for sustainable projects.	Short ■■■ Medium ■■■ Long ■■■	▪ Strategic plan (five-year horizon) that envisages a strategy for the development of RES that are 100% aligned with the EU Taxonomy. ▪ Technological (Wind, Solar & Battery) and geographical diversification of the generation portfolio. ▪ ESG plan with decarbonisation objectives throughout the value chain approved by SBTi and in line with the objectives of the Paris Agreement (actual). ▪ Asset modernisation and efficiency programs (Repowering/Revamping) that make it possible to extract greater value from renewable sources (Wind & Solar).	Short ■□□ Medium ■□□ Long ■□□
E4 **Biodiversity and ecosystems (whole value chain)**	**Risks:** ▪ Events that have a negative economic impact on the Group (e.g., turbine downtime due to bird migration). **Opportunities:** ▪ Identification of "suitable areas" to reduce the authorisation times of RES projects (e.g., industrial sites) and the impacts on the environment and biodiversity. ▪ Improvement of the environmental matrix and biodiversity for the development of RES with positive impacts on people's lifestyles (e.g., reduction of polluting/harmful emissions).	Short ■■■ Medium ■■■ Long ■■■	▪ Strategic plan that includes the development of renewable technologies (Wind, Solar & Battery) with "negligible/limited" impacts on the environment and biodiversity compared to other electricity generation plants. ▪ Development of an ESG Plan with measurable biodiversity objectives. ▪ "Environmental Impact and Biodiversity Assessment" carried out during the authorisation phase of Wind & Solar projects. ▪ Monitoring programme to reduce impacts on biodiversity (where envisaged by provisions). ▪ HSE incident reporting process. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
E5 **Resource use and circular economy (entire value chain)**	**Risks:** ▪ Dependence on materials that are difficult to extract (e.g., rare earths for the production of solar panels). ▪ Regulations that raise the percentage of materials to be recycled. ▪ Escalation of waste management regulations. **Opportunities:** ▪ Development and innovations of products that require less use of "critical" materials (potential). ▪ Promotion of circular economy solutions, such as recycling turbine and panel components, which has a positive impact on the Group's reputation due to their lower environmental impact.	Short ■■■ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with measurable strategies and objectives on the circular economy, making it possible to reduce the amount of material to be sent to landfill during plant modernisation (Wind Repowering and Solar Revamping). ▪ Lifetime Extension Program for plants. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
S1 **Own Workforce (own activities)**	**Risks:** ▪ Competition in talent attraction policies with exit of key figures. ▪ Serious HSE incidents with negative impacts on the Group's reputation. **Opportunities:** ▪ Search for "Green Jobs" by the new generations. ▪ Development of inclusion and diversity policies in the workforce, with positive effects on the Group's reputation. ▪ Increased attention of socially responsible investors (SRI) to social topics (e.g., respect for human rights and D&I).	Short ■■■ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with measurable strategies and objectives on Diversity, Equity, Inclusion & Belonging to attract and retain talent, including reports within the sustainability reporting. ▪ OHSAS 45001 certified management systems, with HSE audits in the field and third-party audits. ▪ HSE incident reporting process. ▪ Whistleblowing process and channel for reporting harassment.	Short ■□□ Medium ■□□ Long ■□□
S2 **Workers in the value chain (upstream and downstream)**	**Risks:** ▪ Serious HSE incidents in the supplier chain with negative impacts on the Group's reputation. ▪ Potential human rights violations or labour exploitation in value chains, with negative repercussions on the Group's reputation. **Opportunities:** ▪ Suppliers and/or customers attentive to ESG topics (HSE; human rights) and/or with high ethical standards.	Short ■■■ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with strategies and objectives along the value chain (decarbonisation; D&I; human rights). ▪ "Sustainable Procurement" project which envisages in particular: the selection of suppliers who manage their production processes from an ESG perspective; the use of a "K-technical" for tenders > EUR 100K favours the most virtuous suppliers on ESG topics. ▪ Selection of industrial customers with a solid economic-financial profile (Investment Grade rating). ▪ Contracts with safeguard clauses (Code of Ethics, 231 Model). ▪ Whistleblowing process and channel for reporting violations (e.g., human rights).	Short ■□□ Medium ■□□ Long ■□□

■■■ High Magnitude ■■□ Medium Magnitude ■□□ Low Magnitude

Short: within one year Medium: within 5 years Long: over five years

Topic	Risk/Opportunity	Inherent Risk	Mitigation strategy	Residual Risk
S3 **Affected communities (entire value chain)**	**Risks:** ▪ Possible local resistance against wind or solar projects for landscape impacts. ▪ Protests or hostility from communities due to insufficient involvement. **Opportunities:** ▪ Direct involvement of local communities when initiating the authorisation process and listening to their requests. ▪ Involvement of future generations (Next Generation) in educational activities on topics related to sustainability and RES.	Short ■■■ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with the aim of sharing value with local communities. ▪ Stakeholder mapping with identification of expectations and engagement methods. ▪ Stakeholder Engagement programme based on transparency and enhancing relationships with all stakeholders. ▪ Permitting process that includes the direct involvement of local communities throughout the authorisation process. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
S4 **Consumers and end-users (downstream)**	**Risks:** ▪ Bankruptcy of a customer due to extreme events caused by climate change, with negative impacts on the Group's economic and financial results. **Opportunities:** ▪ Increased demand for clean electricity from industrial customers to achieve their decarbonisation objectives.	Short ■■□ Medium ■■□ Long ■■□	▪ Selection of industrial customers with a sound economic and financial profile (Investment Grade rating). ▪ Contracts with safeguard clauses (Code of Ethics, 231 Model). ▪ *annual customer satisfaction* survey. ▪ Whistleblowing process and channel for reporting violations.	Short ■□□ Medium ■□□ Long ■□□
G1 **Corporate culture (entire value chain)**	**Risks:** ▪ Volatility of electricity prices with negative repercussions on the Group's strategic objectives and on its economic and financial results. ▪ Increased competition for greater investments in businesses related to renewable sources by Funds/Asset Managers. ▪ Increased taxation on energy companies, or changes to incentive systems, with negative repercussions on RES development. ▪ Cyber attacks with repercussions on the business continuity of plants and/or company systems. **Opportunities:** ▪ Investors' greater willingness to invest in green assets at better market conditions (e.g., lower interest rates - green bonds). ▪ Greater transparency in reporting ESG topics with a positive impact on organisations investing in the energy transition and the Group's reputation.	Short ■■■ Medium ■■■ Long ■■■	▪ Incentive systems (MBO/LTI) linked to the objectives of the Business Plan/ESG Plan. ▪ Endorsement of the Corporate Governance Code for Listed Companies issued by Italian Stock Exchange. ▪ Internal Control and Risk Management System compliant with other standards and best practices, in terms of: internal regulations adopted by the Board of Directors (e.g., Code of Ethics, Sustainability Policy, Human Rights Policy; D&I; Committees supporting the Board of Directors (Risk & Sustainability Committee, Nominations and Remuneration Committee); Committees supporting the CEO (Strategic Committee; ESG Committee; Human Capital Committee; Management Committee, etc.). ▪ Supervisory Committee, established pursuant to the 231 Model, also acting as "Ethics Committee". ▪ Whistleblowing process and channel for receiving reports .	Short ■□□ Medium ■□□ Long ■□□
G1 **Lobbying activities (own activities)**	**Risks:** ▪ Complex international geopolitical context that slows down the enforcement of decarbonisation objectives in individual countries. ▪ Local authorities' failure to implement decarbonisation objectives, with delays in the development of RES. **Opportunities:** ▪ Commitment made by international and national institutions in support of decarbonisation policies and RES development. ▪ Promotion of simplified authorisation processes for RES development and/or plant revamping.	Short ■■■ Medium ■■■ Long ■■■	▪ Stakeholder mapping with identification of expectations and engagement methods. ▪ Stakeholder Engagement Programme based on transparency and the enhancement of relations with all stakeholders. ▪ Whistleblowing process and channel for any reports.	Short ■□□ Medium ■□□ Long ■□□
G1 **Management of relationships with suppliers (upstream)**	**Risks:** ▪ Supply chain interruption due to an increase in extreme events caused by climate change. ▪ Serious HSE incidents of employees in the supplier chain with negative impacts on the Group's reputation. ▪ Potential human rights violations or labour exploitation in the supply chain. ▪ Failure of the supply chain to achieve emission reduction targets, which negatively impacts the ERG Group's decarbonisation objectives. **Opportunities:** ▪ ESG-conscious suppliers (HSE; human rights) and/or suppliers with high ethical standards, with a positive impact on the Group's reputation. ▪ Suppliers that implement decarbonisation strategies, contributing to the Group's Net Zero objective, with positive repercussions on the Group's reputation.	Short ■■■ Medium ■■■ Long ■■■	▪ Development of an ESG Plan with strategies and objectives in the supply chain (decarbonisation; D&I; human rights). ▪ "Sustainable Procurement" project which envisages in particular: the selection of suppliers who manage their production processes from an ESG perspective; the use of a "K-technical" for tenders > EUR 100K favours the most virtuous suppliers on ESG topics. ▪ Contracts with safeguard clauses (Code of Ethics, Supplier Code of Conduct, etc.). ▪ Whistleblowing process and channel for reporting violations (e.g., human rights).	Short ■□□ Medium ■□□ Long ■□□

BP 2

Sustainability policies

ERG's sustainable development model applies to all Group companies, integrating business development and management activities, conducted in an ethical and transparent manner, with the protection of the environment and biodiversity, respect for people, and the protection of their health and safety, establishing relationships of trust with stakeholders.

Indeed, sustainable development and the creation of value shared with stakeholders are elements at the basis of ERG's business model, also guaranteeing the strengthening of the Group's reputation and at the same time improving results.

The Code of Ethics is the foundation of the Group's governance system and sustainability policies. It defines guiding principles - including integrity, fairness, respect, equity and transparency - and promotes responsible and transparent dialogue with all stakeholders. These principles are underpinned by an articulated system of Policies, Guidelines and internal rules (including the Sustainability Policy, Human Rights Policy, D&I Policy and Policy for the Management of Dialogue with Stakeholders), which reinforce the Group's commitment to responsible, inclusive and compliant conduct in support of long-term sustainable value creation.

The policies are periodically reviewed in order to ensure that they are constantly updated in relation to the evolution of the regulatory, operational and market context. In 2025, the Sustainability Policy, Supplier Code of Conduct and HSE Policy were updated.

The Group further strengthened its governance system in 2025 by preparing the new "Policy for the Adoption and Use of AI-based Tools", which aims to promote ethical, safe and compliant use of these emerging technologies. The Policy defines the guiding principles for integrating AI into business processes, focusing on the protection of people, transparency and data protection[16].

The whistleblowing channel has been established for reporting any violation or non-compliance with the principles and rules that regulate the company; it is available on the company website at the following link: https://erg.integrityline.com/

The following infographic provides access to the most up-to-date versions of published policies.

(a) Internal policy

16 For more details on the policy, please see the Governance section "The Erg approach to artificial intelligence".

Material topics and correlation with Policies and Guidelines

ESRS (European Sustainability Reporting Standards)	Code of Ethics	Sustainability Policy	HSE Policy	Diversity & Inclusion Policy	Human Rights Policy	Anti-Harassment & Bullying Policy	Policy for Gender Equality	Anti-corruption Policy	Policy for the management of dialogue with stakeholders	Whistleblowing Guidelines	Supplier Code of Conduct	Due Diligence on Significant Third Parties	Privacy Organisational Model	Risk Policy	Policy AI
Responsibility of politics	Bod	Bod	CEO	Bod	Bod	Bod	Bod	Bod	Bod	Bod	Bod	CEO	Bod	CEO	CEO
E1 – Climate Change	✓	✓	✓						✓	✓	✓			✓	
E4 – Biodiversity and ecosystems	✓	✓	✓						✓	✓	✓			✓	
E5 - Resource use and circular economy	✓	✓	✓						✓	✓	✓			✓	
S1 – Own workforce	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓	✓	✓
S2 - Workers in the value chain	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
S3 - Affected communities	✓	✓			✓	✓	✓	✓	✓	✓		✓	✓	✓	
S4 - Consumers and end users	✓	✓			✓			✓	✓	✓		✓		✓	
G1 - Business conduct: ▪ Corporate culture, ▪ Lobbying activities ▪ Management of relationships with suppliers	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

ENVIRONMENTAL INFORMATION

ESRS E1

CLIMATE CHANGE

In recent years, and especially 2025, the international context has made the path to energy transition increasingly complex. The most recent Conferences of the Parties (COP) have confirmed the growing difficulty in translating climate commitments into concrete and consistent action at the global level, in a geopolitical framework marked by an exponential increase in international tensions and conflicts. Against this backdrop, many countries continue to protect fossil fuel interests, slowing down the development of renewable sources.
At the same time, the European regulatory framework for sustainability is undergoing a phase of revision which includes significant critical elements. The simplifications introduced with the Omnibus package on the Corporate Sustainability Reporting Directive (CSRD) ease obligations for companies, but risk undermining the directive as a strategic lever for energy transition. Reducing the scope and sustainability disclosure requirements could slow down the decarbonisation process, limiting the market's ability to distinguish between companies that are truly aligned with European climate targets and those that are less virtuous.
It is within this context that the ERG Group continues to pursue its path of decarbonisation with consistency and determination, validated according to a scientific approach by the Science Based Targets initiative (SBTi), and creating sustainable value in the long term. As a leader in the renewable energy sector, it continues to invest in the energy transition and in particular in wind, solar and batteries, reinforcing its commitment to the ecological transition. Consistency with climate objectives not only strengthens the company's competitive position but also represents a duty towards future generations and the sustainability of the entire planet.

E1-1 E1-2 E1-3 E1-4

Transition Plan, Policies, Actions and Targets

Climate change risk management (TCFD framework)

The ERG Group has launched a structured analysis on the impacts of climate change on its business since 2019, following the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD). ERG has progressively updated and expanded the geographical scope of its analysis to incorporate new countries, including Spain and the USA. Following the exit from the hydroelectric and thermoelectric sectors, the company has focused exclusively on electricity generated from renewable sources (wind and solar). Climate risk assessment includes internal operations and activities upstream and downstream in the value chain. The Group has adopted emissions scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), one of the most accredited in the literature, considering five emissions scenarios known as RCP[17] and two transition scenarios[18].
ERG then identified the variables with potential impacts on its business, classifying them into physical (acute and chronic) and transitory (regulatory, market-related, reputational and technological) events. The analysis highlighted both risks and opportunities, including the development of Renewable Energy Sources (RES).

	Wind	Solar irradiation	Floods/ heavy rainfall	Heavy snowfall /ice	Rain/snow	Hail	Gale	Fire	Lightning	Air temperature	Temperature of seas and rivers	Heat waves	Level of the sea
	—	—	Low	Medium	—	Low	High	Low	Low	—	—	Low	—
	—	—	Medium	Medium	Medium	High	Medium	Low	Low	Low	—	Medium	—
	—	—	Medium	Low	—	Low	Low	Low	Low	Low	—	Medium	—

— Not relevant

17 Representative Concentration Pathways (RCP): 8.5; 7.0; 4.5; 2.9; 1.9.
18 Below 2 Degree Scenario - B2DS - IEA and Sustainable Development Scenario - SDS.

1. Governance for climate change management

ERG has a sound governance system for managing climate risks, integrated into the company strategy and outlined and monitored by the company's senior management:

The Board of Directors is responsible for the strategic direction, charting the path for the Group's renewable future. It analyses economic, regulatory and market scenarios to identify the best development opportunities, supporting decarbonisation.

The Control, Risk and Sustainability Committee supports the evaluations and decisions of the Board of Directors concerning:

- ESG Strategy and Plan (with implementation of decarbonisation plans)
- integrated reporting (with sustainability section)
- Internal Control and Risk Management System (ICRMS), including monitoring climate risks.

In addition, the operational management of climate risks and opportunities is entrusted to specialised teams in the various company departments.

The ESG Committee defines, plans and supervises the implementation of environmental sustainability, social and governance (ESG) objectives, in particular with reference to climate change:

- it defines medium-long term sustainability guidelines and promotes the implementation of practices and projects consistent with the company strategy
- it approves the ESG Initiatives Plan as a constituent part of the Group's Business Plan, oversees its execution and the reaching of objectives in the priority intervention areas
- manages the preparation and dissemination of the Sustainability Section of Integrated Reporting.

Enterprise Risk Management (ERM) supports management in identifying, assessing and monitoring risks, as well as in defining the most effective response strategies to mitigate them. ERM supports the ESG area in assessing the risks and opportunities generated by climate change.

Moreover, ERG actively participates in stakeholder dialogue (including institutions, trade associations and local representatives) to contribute to the development of renewable energies. The company takes part in numerous national and international working groups and initiatives on energy and environmental policies, providing its industrial experience and sectoral knowledge to contribute to the energy transition.

The dialogue with main players in the sector makes it possible to strengthen ERG's role in promoting decarbonisation policies that are fundamental for the business and for climate change fight.

2. Strategy

ERG Group operates in the renewable energy sector and has aligned its business model with the objectives of energy transition. To combat climate change, ERG has integrated its climate strategy into its business strategy, adopting the following actions:

- development and production of wind and photovoltaic energy
- geographic and technological diversification, to compensate for the negative impacts of climate change
- technological evolution of wind turbines, for example new-generation turbines, to increase the generation of energy from wind
- technological developments in photovoltaic systems, such as solar trackers and next-generation panels, to increase the efficiency of energy generation from the sun
- development and construction of electrochemical storage facilities to increase the efficiency and resilience of transmission grids and enable an increasing share of energy from renewable sources in electricity systems
- establishment of effective and lasting relationships with stakeholders.

ERG has defined an ESG Plan focused on becoming Net Zero by 2040. This concrete milestone is reinforced by Science Based Targets initiative (SBTi) validation of emission reduction targets, in line with the threshold necessary to keep global temperature rise within 1.5 °C.

In detail, ERG has structured its path to decarbonisation into the following main phases:

- production and sale of 100% renewable energy
- exclusive consumption of 100% renewable energy by company plants and structures
- decarbonisation of the supply chain, supporting our main suppliers on an emission reduction pathway, validated by the Science Based Targets initiative (SBTi).

3. Risk management

Starting from the analysis of risks and opportunities, ERG has developed an in-depth study on the impacts that climate change could have on its business, following the guidelines of the Task Force on Climate-Related Financial Disclosure (TCFD).

Climate change represents a risk factor that can have economic and financial impacts on ERG's business in the short, medium and long term. Some of the main effects include:

- decrease in the availability of renewable resources, i.e., wind and sun
- limitations or impediments to plant operations
- increase in operation and maintenance costs (O&M)
- increase in insurance and regulatory compliance costs

For details on the analyses carried out and the risks and opportunities identified, please see the TCFD table present on the company website www.erg.eu.

The ERG Group has defined a specific and structured adaptation plan to identify, assess and mitigate climate risks, particularly physical ones, through:

- continuous monitoring of physical and transitional risk factors
- geographic diversification of plants to reduce vulnerability to specific climate events
- technological diversification of plants (Wind, Solar and Storage) to reduce vulnerability to specific climate phenomena
- investments in innovation and technological updating to improve the efficiency and resilience of infrastructures
- stakeholder engagement to adapt the company strategy to regulatory and market developments.

At plant management level, ERG has adopted a series of solutions to monitor and mitigate these risks, including:

- use of advanced forecasting models to define the production plan and short-term operating activities
- programming plant downtime during periods in which renewable energy sources have lower availability, to carry out maintenance without blocking the production of energy in periods of greater availability of wind and sun
- continuous performance monitoring of plants through industrial control systems (Supervisory Control and Data Acquisition or SCADA), based on Key Performance Indicators (KPIs), to promptly intervene in the event of a fault and reduce downtime
- continuous improvement of management and maintenance processes, to maximise operational efficiency and plant productivity
- insurance policies to mitigate the risks related to the interruption of operations and damage to assets in the generation portfolio.

In addition, ERG conducts energy audits, which are a key tool for sustainable energy management. These audits make it possible to systematically analyse energy consumption and energy efficiency based on verifiable data, identifying the areas of greatest impact and opportunities to improve energy performance and reduce consumption.

4. Metrics and objectives

ERG uses key metrics to monitor climate progress, including:

- reduction of CO_2 emissions, with Net Zero objectives defined in line with international standards
- share of renewable energy produced, with a target of growth in installed capacity
- asset resilience to climate change, assessed through scenario analysis in compliance with the objectives of the Paris Agreement.

ERG's commitment to climate risk management translates into a proactive strategy that aims to consolidate its leadership in the renewable energy sector, while ensuring stability and sustainable growth.
The update of the analysis, which was focused on the renewable business, confirmed ERG's resilience to climate change thanks to its energy transition towards a green economy, with its own "Pure Renewable Player" generation model.

Ongoing and future projects

The analysis, which began in 2023, has been ongoing and focuses on assessing the impacts of climate change on the Group's business and assets. Particularly, a specific climate phenomenon called "wind drought" was investigated in 2025.
The analysis looked at wind business at individual plant level and in main geographical areas where ERG operates (Italy, France, Germany and the UK), seeking to understand the evolution of the phenomenon over the next decade.
The most climate-catastrophic scenarios were taken into account for the analysis:

- RCP 8.5: expects high emissions in the absence of mitigation measures, with an expected warming of approximately +4.3 °C (range ~+3.2 °C ÷ +5.4 °C) compared to the pre-industrial period
- RCP 7.0: predicts "moderate-high" emissions with an expected warming compared to pre-industrial levels of about +3.7 °C on average (range +2.8 °C ÷ +4.6 °C).

In general, the analyses show a possible increase in the phenomenon with prominence in the Mediterranean latitudes, associated with a greater frequency of persistent areas of high pressure. An opposite trend can instead be observed for central and northern Europe: the Mediterranean high pressure could deflect low pressures towards higher latitudes.
However, at Group level, the potential effects of climate change are already incorporated in the estimates underlying ERG's Business Plan. The company adopts international best practices in the definition of production estimates (known as P50[19]), which consider the historical trends and fluctuations of wind which have been observed over the past ten years across the entire wind plant portfolio. Any further changes or reductions in the availability of wind in the medium to long term will be continuously monitored and analysed.
Therefore, certain lines of action which have already been integrated into our Business Plan for several years are confirmed, such as geographical diversification (we are present in nine countries in Europe and two states in the United States) and technological evolution (modernisation of plants through repowering & revamping) to mitigate any negative impact.

Furthermore, in 2026 the company will investigate how certain climatic phenomena such as the North Atlantic Oscillation (NAO) may affect windiness in areas of north-central Europe. The objective is to improve the predictive ability of wind fluctuations to maximise the return on the Group's assets. This is done in collaboration with other industry players in the sector.

E1-9

Anticipated financial effects from material physical and transition risks and climate-related opportunities

In 2023, ERG established an internal group involving the Performance Control, Energy Studies & EU Affairs, Engineering Innovation and Innovation Projects departments, together with the ESG area. The objective was to assess the quantitative impact of climate change on the annual production of the Group's wind assets, with a medium (2020-2039), medium-long (2040-2059) and long-term (2080-2099) projection.

The analysis showed that, in general, risks of a decrease in average wind speed in the medium term (2020-2039) are limited. Historical and statistical analyses of the percentage change in wind speed indicate limited annual fluctuations in energy production. These fluctuations are already integrated in the historical series underlying the production estimates contained in the Business Plan.
ERG's working group will continue to monitor long-term climate scenarios to ensure that the estimates are always up-to-date and realistic.
In 2024, ERG carried out an in-depth analysis of the change in irradiation for the Group's solar plants.
Following the same methodology used for wind farms, the company launched a technical panel to assess the quantitative impact of climate change on the annual production of the Group's photovoltaic plants, adopting the same time horizons.

The analysis foreshadowed a gradual increase in irradiation at all latitudes, directly related to the increase in average temperature and the reduction in rainy days caused by climate change. The increase in irradiation in medium term is comparable and consistent with historical fluctuations. Therefore, a very positive impact is expected for solar resource. Although having a negative effect on the output of photovoltaic modules, the temperature increase can be considered negligible, since their loss of efficiency is much lower than the increase in irradiation and will be further mitigated by the technological development of new photovoltaic panels.

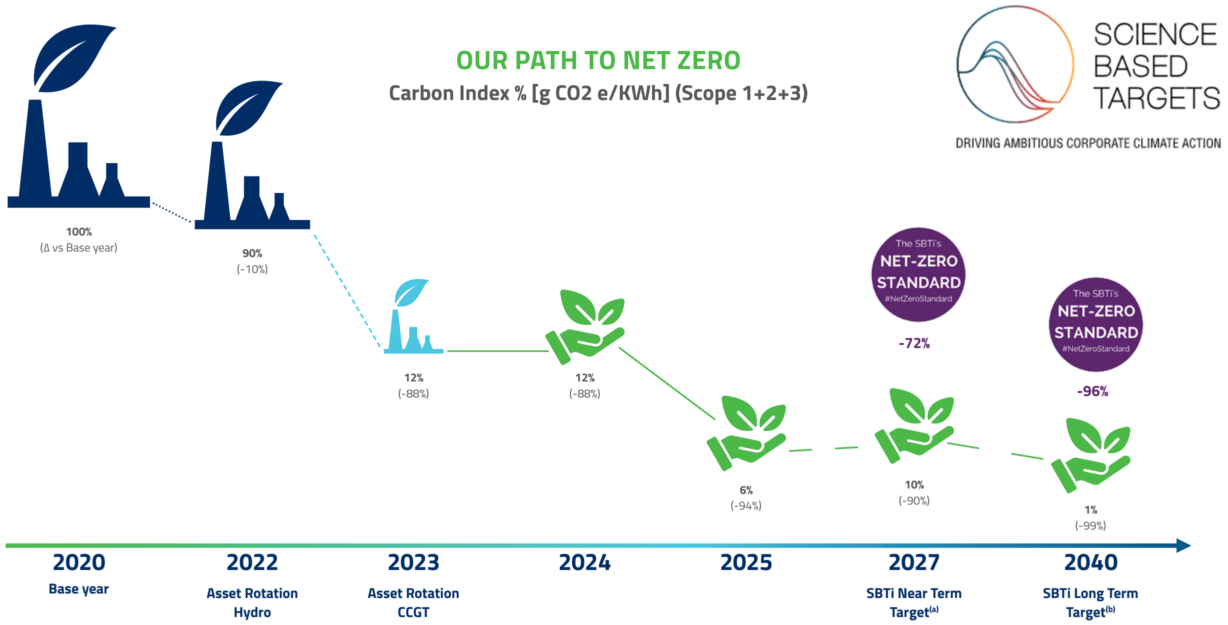
19 P50 represents the estimated annual electricity production with a 50% probability of being reached or exceeded. The indicator is based on statistical and modelling analyses that integrate multi-year historic series of wind, anemometer data, climatic conditions and technical performance of the plants. P50 is the commonly internationally adopted benchmark in the industrial and financial planning of wind power projects.

Net Zero - 2027 target achieved ahead of schedule

ERG Group is committed to achieving the goal of net zero climate-altering emissions by 2040. With the exit from the thermoelectric sector in 2023, the company's entire electricity generation comes from renewable sources, in line with the European Union Taxonomy. The decarbonisation strategy is divided into three phases:

- production and sale of energy entirely from renewable sources
- exclusive consumption of renewable energy in company plants and infrastructures
- decarbonisation of the supply chain, involving the main suppliers on an emission reduction pathway, validated by the Science Based Targets initiative (SBTi).

The goal is to ensure that at least 75% of strategic suppliers (turnover exceeding EUR 1 million) obtain SBTi validation for emissions reduction by 2030, reaching 90% by 2040.
ERG monitors its Net Zero objectives annually, which envisage an effective reduction in emissions without relying on carbon credits or offsetting measures. The Group does not use greenhouse gas removal or storage techniques, in line with its 100% renewable generation model.



NET ZERO target approved by SBTi

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

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

Validation of Decarbonisation Objectives

On 7 July 2023, the Science Based Target initiative (SBTi) approved the ERG Group's greenhouse gas (GHG) emission reduction targets, in line with the threshold necessary to keep the global temperature increase within 1.5°C. ERG is among the top 15 companies in the world and the first two in Italy in the electricity utility sector and independent electricity producers to have obtained this validation.
ERG's commitment to Net Zero includes concrete actions both in the short term, with targets set for 2027, and in the long term, with the goal of climate neutrality set for 2040. The ERG Group recognises the importance of sustainability and is proud to be a pure-renewable company, committed to energy transition and climate change fight.
The Group has an ambitious, concrete decarbonisation path: in fact, the company has set a net zero target by 2040 validated by Science Based Targets initiative (SBTi), in line with the sectoral path for energy companies to limit the global temperature rise to 1.5 °C as required by the Paris Agreement.

The ERG Group is aware of the importance of transparent planning in line with changing regulations.
However, although ERG's decarbonisation plan is aligned with international best practices and targets validated by SBTi, it is not yet fully aligned with the ESRS reporting requirements. The company is considering the necessary actions to meet these demands in the future.
ERG will continue to pursue its sustainability strategy with determination, actively contributing to the energy transition and ensuring transparency in its decarbonisation path.
It should also be noted that ERG is not excluded from the EU Paris-aligned benchmarks, as its business and revenues do not fall within the list of Article 12 of Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down by Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks.

ESRS 2 GOV-3 ESRS E1

Climate-related remuneration policies

The incentive system used by the ERG Group is articulated along two timelines:

- short-term, based on a Management By Objectives (MBO) approach;
- medium-long-term, based on a Performance Share system (Long Term Incentive or LTI).

Consistent with the integration of sustainability in the Group strategy, targets linked to the ESG Plan represent a fundamental element for all the incentive systems. In relation to climate-related remuneration policies, both the MBO and the LTI systems include the assignment of both objectives linked to growth in RES (installed production capacity in MW) and objectives related to Group Sustainability (linked to the ESG Plan).
Therefore, given that the growth of ERG is focused on the management and development of RES (wind, sun and batteries - three 100% green technologies in line with the European Taxonomy), 100% of the remuneration systems have climate-related objectives for both the CEO and for the entire population participating in these incentive systems.

The european taxonomy

According to the Taxonomy, an economic activity is considered sustainable if[20]:

1. it contributes substantially to one or more of the EU's six environmental objectives (compliant with the technical screening criteria)
2. it complies with the "Do No Significant Harm" (DNSH) principle, ensuring that it does not cause significant damage to the other objectives
3. it meets minimum safeguard requirements, in compliance with the guidelines of the Organisation for Economic Cooperation and Development (OECD) for multinational enterprises and the United Nations' Guiding Principles on business and human rights.

6 ENVIRONMENTAL OBJECTIVES - EU TAXONOMY

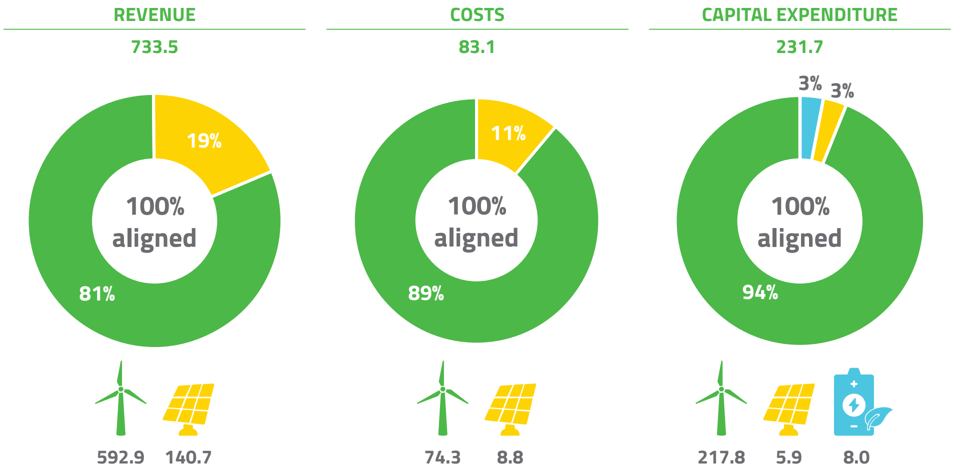
Climate change mitigation	Climate change adaptation	Pollution prevention and reduction	Transition to a circular economy	Sustainable use and protection of water and marine resources	Protection and restoration of biodiversity and ecosystems

Also in 2025, following the business approach used in the Directors' Report, ERG examined the impact of its activities. In addition to the two climate objectives – mitigation and adaptation – the Group explored the requirements related to four environmental objectives: prevention and control of pollution, sustainable use and protection of water and marine resources, transition to a circular economy and protection and restoration of biodiversity and ecosystems.
The analysis confirmed that ERG's activities are fully aligned with the EU Taxonomy[21], in continuity with the findings of the last three years, i.e., since the asset rotation process was finalised. Activities 4.1 (electricity generation using solar photovoltaic technology), 4.3 (electricity generation from wind power) and 4.10 (storage of electricity) contribute significantly to climate change mitigation, as does the Group's investment plan[22], (about EUR 1 billion in the period 2024-2026), also fully aligned with the EU Taxonomy, as it focuses on the development of wind (4.3) and photovoltaic energy (4.1) and, starting from 2024, also the development of storage (4.10).

To calculate the key performance indicators (KPI), ERG used the data contained in the Consolidated Financial Statements at 31 December 2025 and, including Sweden[23], in compliance with the indications of the European Commission, determined revenue, costs and investments.
As in 2023 and 2024, revenue[24] was considered net of the impact of the fair value of hedging (since they are purely financial transactions), similarly to what was done in 2024. Only maintenance costs (including personnel expense) were considered, rather than the entire scope of operating costs. Lastly, amounts relating to goodwill recognised at the time of acquisition[25] were excluded from capital expenditure[26].
The amounts were aligned with the Group total, avoiding double counting thanks to the use of consolidated figures, i.e., net of the elimination of 'infragroup' financial transactions between entities belonging to the ERG Group.
The company confirms 100% alignment with the Taxonomy, as it is exclusively focused on renewable business.

20 Art. 3 of Regulation (EU) 2020/852.
21 In application of Article 10, paragraph 3 of Regulation (EU) 2020/852.
22 Please see the "Strategy"; no research and development expenditure is planned.
23 Assets over which the Group exercised operational control throughout 2025.
24 Please see Note 1 and Note 45 of the Consolidated Financial Statements.
25 Please see the "Comments on the year's performance".
26 Please see the Consolidated Financial Statements, note 17.

2025 ANALYSIS RESULTS (EUR M)



For the purposes of the Taxonomy, the following were considered:
Revenue: Consolidated Revenues (€ 743.6 M) with the contribution of Sweden (€ 8.8m), for a total of € 752.4m, net of the fair value of hedges (€ 18.9 M in revenue) for a total net amount of € 733.5 M.
Costs: Costs of only maintenance (€ 72.8 million) and personnel (€ 10.3 million) for a total of € 83.1 million
CapEx: consolidated CapEx (€ 234.6 million) net of goodwill (€ 3.0 million) for a total net amount of € 231.7 million
Capital expenditure also includes intangible concessions and licences.

Compliance with the Do No Significant Harm (DNSH) criteria and minimum safeguards

The DNSH technical criteria on the need to do no significant harm require that economic activities do not have a particularly negative environmental impact. The ERG Group carried out an internal analysis to assess compliance with these criteria in its activities, with particular reference to the production of photovoltaic energy (activity 4.1) and wind energy (activity 4.3) and energy storage (activity 4.10). The analysis considered:

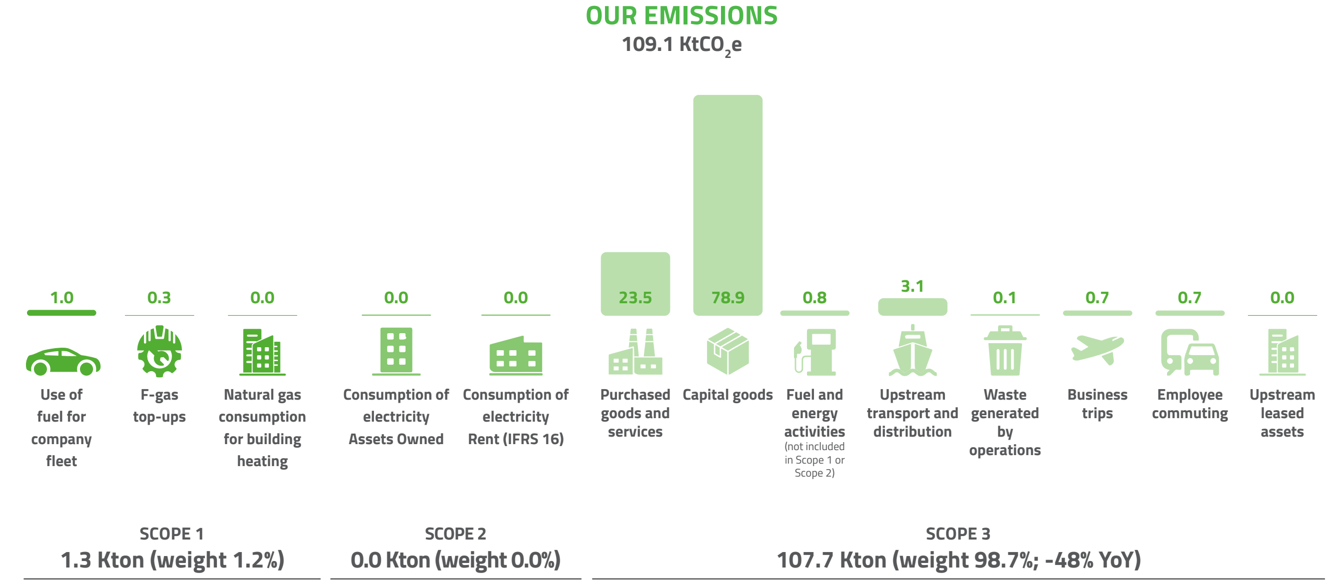
- the authorisations (e.g., environmental) obtained for the construction and operation of wind and solar plants (Wind & Solar or W&S) and for energy storage
- the analysis of chronic and acute climate risks and their compensation and mitigation measures
- the durability of the technologies
- the disposal and recyclability of components at the end of the plants' useful life.

The analysis results confirm that ERG operates in full compliance with the DNSH technical criteria.
The company also assessed the compliance of its organisational structure and internal processes with the requirements of the minimum safeguards. In this context, the non-binding opinion of the Platform on Sustainable Finance (PSF) was taken as a reference. The analysis examined the company processes and regulatory documents to verify their compliance with the recommendations of the PSF. The reference company policies include the Code of Ethics, Human Rights Policy, Anti-corruption Policy and the tax strategy. These documents define the fundamental principles that the Group integrates into its business strategy to guarantee the protection of all stakeholders.
The analysis confirmed that ERG carries out its activities in full compliance with the minimum safeguards.

Stages	Requirements (Annex I)	Satisfaction	Satisfaction	Satisfaction
Climate change adaptation	The activity fulfils the criteria of Annex A of the Delegated Acts supplementing Regulation (EU) 2020/852.	✓	✓	✓
Sustainable use and protection of water and marine resources	Not applicable (Does not apply to On-shore Renewable Energy Plants)			
Transition to a circular economy	The activity assesses the availability of equipment and components of high durability and recyclability and easy dismantling and upgrading, using them where possible.	✓	✓	✓
Pollution prevention and reduction	Not applicable (Does not apply to Renewable Sources)			
Protection and restoration of biodiversity and ecosystems	The activity fulfils the criteria of Annex D of the Delegated Acts supplementing Regulation (EU) 2020/852. In the case of offshore wind installations, the activity does not hinder the achievement of good environmental status as set out in Directive 2008/56/EC	✓	✓	✓

E1-6

Emissions



GHG emissions and targets

E1-4 E1-6	Uom					Milestones and target years				
		2020 Base Year	2024	2025	Δ	2027	2030	2035	2040	Annnual % target / Base year
Scope 1 GHG Emissions										
48. (a) Gross Scope 1 GHG emissions	tCO$_2$eq	1,147,990	1,118	1,338	20%					
48. (b) Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%	-	-	-						
Scope 2 GHG emissions										
49. (a) Gross location-based Scope 2 GHG emissions	tCO$_2$eq	14,200	8,263	8,510	3%					
49. (b) Gross market-based Scope 2 GHG emissions	tCO$_2$eq	1,301	242	34	(86%)					
Scope 3 GHG emissions										
51. Total Gross indirect (Scope 3) GHG emissions	tCO$_2$eq	441,865	208,313	107,735	(48%)					
Fuel and energy activities (not included in Scope 1 or Scope 2)	*tCO$_2$eq*	*352,186*	*830*	*774*	*(7%)*					
Total GHG emissions										
52. (a) Total GHG emissions (location-based)	tCO$_2$eq	1,604,055	217,694	117,583	(46%)					
52. (b) Total GHG emissions (market-based)	tCO$_2$eq	1,591,156	209,673	109,107	(48%)					
Production	**Gwh**	**6,580**	**6,959**	**7,241**	**4%**					
Carbon Index										
Scope 1 + Scope 2	grCO$_2$e/KWh	174.7	0.2	0.2	(3%)	48.9			9.1	14%
Scope 2	grCO$_2$e/KWh	0.2	0.0	0.0	(87%)		0.0	0.0	0.0	100%
Scope 3 (ex. category 3)	grCO$_2$e/KWh	13.6	29.8	14.8	(50%)				0.4	16%
Scope 1 + Scope 3 (category 3)	grCO$_2$e/KWh	228.0	0.3	0.3	4%	67.5			10.7	14%

E1-6 GHG Intensity based on net revenue	Uom	2024	2025	Δ
53. Total GHG emissions (location-based) per net revenue	$kgCO_2e$/€ - %	0.29	0.16	(47%)
53. Total GHG emissions (market-based) per net revenue	$kgCO_2e$/€ - %	0.28	0.15	(49%)
Connectivity with financial reporting information				
AR 55. Total net revenue [(1)]	€	738,065,000	752,427,000	
AR 55. Net revenue used to calculate GHG intensity	€	738,065,000	752,427,000	
AR 55. Net revenue (other)	€	-	-	

(1) Consolidated revenue including Sweden (Note 1 and 47 to the Consolidated Financial Statements)

Gross GHG emissions of scope 1, 2, 3 and total GHG emissions	Uom	2024	2025
AR 45. (d) The undertaking shall provide information about the share of contractual instruments (GHG emisson Scope 2)	%	100%	100%
AR 45. (d) Optional - The undertaking may disclose the share of market-based scope 2 GHG emissions linked to purchased electricity bundled with instruments such as Guarantee of Origins or Renewable Energy Certificates [(1)]	%	97%	99%
AR 45. (d) The undertaking shall provide information about the share of contractual instruments used for the sale and purchase of energy bundled with attributes about the energy generation [(1)]	%	100%	100%
AR 45. (d) The undertaking shall provide information about the share of contractual instruments used for the sale and purchase of energy bundled with unbundled energy attribute claims	%	100%	100%
AR 46. (g) disclose the extent to which the undertaking's Scope 3 GHG emissions are measured using inputs from specific activities within the entity's upstream and downstream value chain, and disclose the percentage of emissions calculated using primary data obtained from suppliers or other value chain partners [(2)]	%	51%	42%

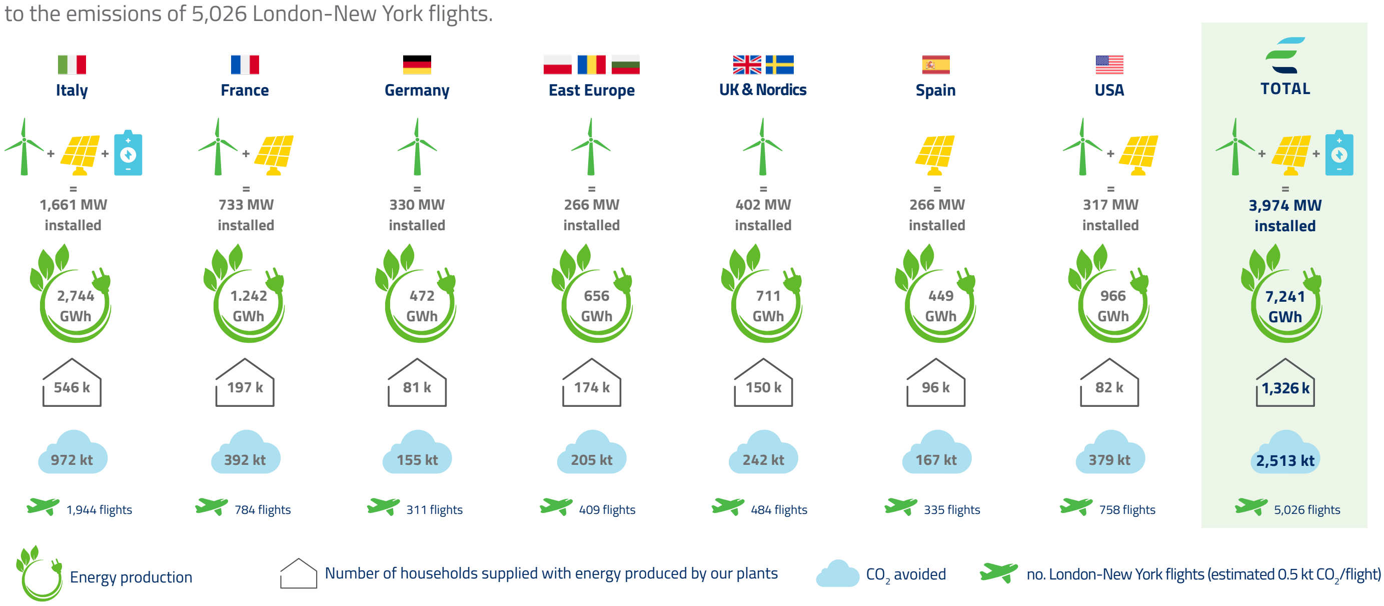
(1) Includes the share of self-generated renewable energy consumption
(2) 2025 figure decreasing towards 2024 due to less new capacity installed during the year

In 2025, total emissions decreased by 48% year-on-year, mainly due to the significant drop in capital expenditure (-58%).
In detail, Scope 1 emissions showed a slight increase due to the intensification of maintenance activities on electrical equipment, which resulted in higher sulphur hexafluoride (SF_6) toppings. Scope 2 emissions instead decreased significantly due to the high coverage of energy from renewable sources (99%), while Scope 3 emissions decreased mainly due to a lower level of investment.

In this context, the ERG Group has already achieved and surpassed the target of a 90% reduction in emissions compared to the base year, significantly ahead of the scheduled 2027 deadline.
The ERG Group is not a member of the Emissions Trading Scheme, as all its energy production comes from renewable sources. The "locked-in" or fugitive emissions, equal to 0.3% in 2025 (0.04% in 2024), derive from leaks of fluorinated gases (F-gases including SF6) used in cooling and heating systems, and thus do not influence the achievement of decarbonisation targets.

CO_2 avoided: renewables for the future of the planet

Thanks to the production of clean wind and solar energy, in 2025 ERG avoided the emission of 2,513kt of CO2 into the atmosphere, equivalent to the emissions of 5,026 London-New York flights.

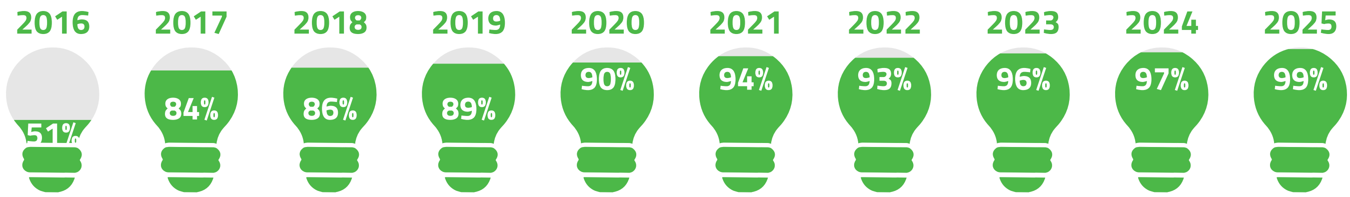


Number of households supplied: this was determined by relating the annual electricity production to the annual per capita electricity consumption of a household in the reference country (Terna factors 2022).
CO_2 avoided: calculated by multiplying annual production by the emission factor for electricity generation from natural gas (IEA 2024 factors)

E1-5

Renewable energy consumption

ERG's commitment to decarbonisation involves the exclusive use of renewable energy for domestic consumption of wind and photovoltaic plants, when they are not in production. The goal, also validated by SBTi, is to reach 100% renewable energy consumption by 2030. For the plants developed internally, the Group activates the supply of renewable energy as the plant enters into operation. For structures that ERG purchases from other operators, if the electricity supply does not already come from renewable sources, the internal policy sets out a maximum period of two years for conversion to 100% renewable supply. By 2025, 99% of the Group's electricity needs were covered by green energy sources. Considering overall energy consumption, including electricity, fuel and methane, the share of energy from renewable sources is 87%.



Energy consumption and mix

E1-5	Uom	2025	2024
37. (a) Total energy consumption from fossil sources	MWh	4,286	5,393
AR 34. Share of fossil sources in total energy consumption	%	13%	16%
37. (b) Total energy consumption from nuclear sources	MWh	-	-
AR 34. Share of consumption from nuclear sources in total energy consumption	%	-	-
37. (c) i. Fuel consumption for renewable sources including biomass (also comprising industrial and municipal waste of biologic origin), bio-fuels, biogas, hydrogen from renewable sources, etc.	MWh	15	-
37. (c) ii. Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	27,618	28,361
37. (c) iii. Consumption of self-generated non-fuel renewable energy	MWh	2,255	-
37. (c) Total energy consumption from renewable sources	MWh	29,887	28,361
AR 34. Share of renewable sources in total energy consumption	%	87%	84%
37. Total energy consumption	**MWh**	**34,173**	**33,754**
39. Non-renewable energy production	MWh	-	-
39. Renewable energy production	MWh	7,241,260	6,958,980
Non-renewable energy production and renewable energy production	**MWh**	**7,241,260**	**6,958,980**

During 2025, ERG's renewable assets in Italy progressively adhered to ARERA Resolution 109/2021. According to this provision, the kWh absorbed by auxiliary services are no longer counted as withdrawals in bills, but recorded as "Negative Energy Input", classified as consumption of self- generated energy and therefore, being associated with plants from renewable sources, equated with green energy.

The adaptation process will continue in 2026, when the transition is scheduled to be completed.

In this context, ERG is monitoring the regulatory and technical updates necessary to align its calculation methodology, both for emissions and energy consumption representation purposes, with industry best practices.

E1-5

Energy efficiency

ERG is committed to achieving the highest standards of energy efficiency, maximising productivity and optimising plant availability. The Group has adopted two main efficiency strategies to increase performance:

- repowering: replacement of old aerogenerators in wind farms with latest generation, more powerful and efficient models. This makes it possible to halve the total number of wind turbines, doubling the total power and tripling the average productivity of the wind farm, with the same total area occupied.
- revamping: updating existing photovoltaic systems by replacing obsolete or less efficient components, such as solar panels, inverters and monitoring systems, with more advanced technologies. This process improves the operational efficiency of the plant without having to expand the area occupied. Although the nominal power may remain unchanged, revamping may result in greater energy production and improve plant reliability and sustainability. In some cases, the reduction of the occupied area allows the installation of new capacity, with a solar repowering operation.

Strategies in place

Wind repowering

Wind repowering involves upgrading existing plants by replacing old blades and turbines with higher performing aerogenerator models, equipped with longer and lighter blades. These measures increase energy production, efficiency, reliability and regulatory compliance, with the following benefits:

- sustainability increase, thanks to the reduction of aerogenerators' number (-50%), which for the same occupied surface area reduces the environmental impact, doubling power and tripling production
- optimal use of windier sites, usually occupied by the oldest and least performing wind farms
- greater electric grid efficiency, thanks to the decrease in its virtual saturation, which makes it possible to better exploit the existing infrastructure
- reduced environmental impact. By limiting the construction of new plants, land use and ecosystems alteration are minimised.

Beyond improving performance and extending plants' life, wind repowering has further advantages, including:

- greater consensus from local communities and institutions
- simplified authorisation procedures
- reduction of new network works
- simplified connection procedures.

ERG has adopted repowering as a key development strategy since 2018. It counts on a pipeline of wind repowering in Italy, France and Germany. To date, 275 MW have been built, 197 MW are under construction, and a further 282 MW have been authorised.

Revamping and repowering projects of photovoltaic plants

The Sunrise project involved the revamping of 18 solar farms in Italy belonging to the ERG's portfolio, with a total capacity of approximately 31 MW. All the plants concerned have been in operation for at least 10 years. Simultaneously, Siena project concerned the modernisation of seven additional solar farms located in Italy, for a total capacity of 23 MW. It was also possible to repower three wind farms of the Siena project, increasing installed capacity by further 5 MW overall, without increasing land use. The interventions for this project involved the replacement of all main components, i.e., photovoltaic modules, inverters and voltage transformers, as well as the installation of support structures for the modules capable of automatically following the sun to the horizon. These interventions contributed to an expected 20% increase in energy production. During 2025, all revamping projects launched in 2024 were completed, and three new projects in Molise (3 MW) were initiated.

Update and improvement of wind farms in operation

In addition to repowering interventions, ERG has developed a process for updating and improving the wind farms in operation, which includes two main strategies:

- scheduled updating (retrofit). Based on critical components monitoring as part of routine maintenance in order to reduce breakage, aiming to identify the components most prone to wear and proceeding with their preventive replacement. This approach allows to extend plant life, preventing breakdowns, avoiding total machine downtime, reducing maintenance costs and maintaining high production performance
- performance improvement. Based on research and implementation of innovative technological solutions to improve turbine performance, through interventions such as software upgrades and replacement of obsolete components. These actions increase productivity, improve operational efficiency and reduce operating costs. The evaluation of interventions is based on a cost-benefit analysis, considering the impact on the increase in nominal capacity and overall production.

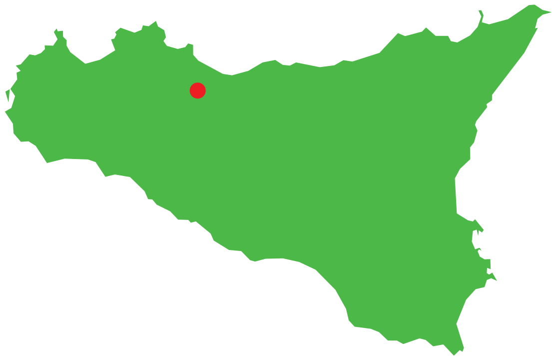
Storage systems supporting the spread of renewable sources

Storage systems, or batteries, are essential in supporting the spread of non-programmable renewable sources, such as wind and photovoltaic energy. Their function is to store electricity and make it available in the absence of wind or sun, helping to balance supply and demand and ensuring greater stability in the electricity grid. ERG recognises storage as a strategic solution to ensure the flexibility, stability and reliability of the energy system of the future.
Through a greater boost to Battery Energy Storage Systems (BESS) projects as well as the wind and solar hybridisation of plants, ERG aims to increase the flexibility of its plant portfolio to integrate the generation of energy from the sun and wind with systems capable of balancing their production and increasing their effectiveness.
The Group's first investment in a Battery Energy Storage System (BESS) concerns a 12.5 MW system in Vicari, Sicily, which was commissioned in the fourth quarter of 2025.
The plant affects two areas: one inside and one near an existing substation, connected to the Vicari and Roccapalumba wind farms. The installation of this BESS marks ERG's official entry into the Italian storage market.

First investment in **storage**

12.5 MW capacity

Planned commissioning in Q4 2025



Sustainable bess management

Battery Energy Storage Systems (BESS) comprise integrated components such as batteries, electrical cables, containers, conversion and management systems (inverters, BMS, EMS) and safety systems. The battery area is the most critical component both in terms of the amount of raw materials used and their environmental and sustainability impact.

When designing a BESS plant, ERG pays particular attention to the sustainable selection of raw materials and the application of short supply chain-oriented criteria, with the aim of reducing the overall environmental impact of the project, promoting the local economy and improving the traceability of the materials used. In the equipment procurement phase, the use of components and supplies from local or national companies can be preferred, so as to reduce the environmental impact associated with transport, promote the circular economy and enhance the skills of the local supply chain.
Particular attention is paid to the responsible sourcing of critical raw materials (e.g., lithium, cobalt, nickel), requiring environmental and social certifications (such as the Environmental Product Declaration or EPD, ISO 14001, SA8000), in line with the indications contained in the NIECP (National Integrated Energy and Climate Plan) and the European Strategy for Critical Raw Materials.
The LFP (lithium-iron-phosphate) batteries used in the projects are an example of a technology that eliminates the use of cobalt and nickel as more critical and expensive materials, favouring iron, which is more sustainable and stable.
Other components, such as electrical cables (made of copper and aluminium with "ECO CABLE" and EPD certifications), containers (made of recyclable steel and aluminium) and electronic systems, are also selected according to environmental sustainability criteria, with certifications certifying their compliance with environmental and safety standards, including the European EC mark, the UL safety standard and RoHS (Restriction of Hazardous Substances) certification.
The BESS system complies with Regulation (EU) 2023/1542, which imposes stringent sustainability, traceability and environmental safety criteria, including a digital battery passport, EC marking and carbon footprint declaration. The regulation also promotes recycling and the circular economy, ensuring high standards for Europe's energy transition.

ESRS E4

BIODIVERSITY AND ECOSYSTEMS

E4-1 E4-2, E4-3, E4-4

Operating with respect for the environment and biodiversity

Protecting the environment and safeguarding biodiversity are strategic objectives for the ERG Group, which develops renewable energy plants with continuousattention to the ecosystems and lands it interacts with. ERG carries out specific biodiversity assessments for all plants developed internally to prevent any negative impact on the environment, adopting mitigation measures in line with the requirements contained in the authorisations.

ERG has defined specific objectives and actions to preserve biodiversity in the Environmental, Social & Governance or ESG Plan, including:

- No Go in UNESCO Areas: No plants in UNESCO areas
- No Net Deforestation: No net deforestation
- No Net Loss of Biodiversity @2030: No net negative impact on biodiversity by 2030.

The ERG Group will implement the guidelines defined by the Taskforce on Nature-Related Financial Disclosures (TNFD) by 2030 to further strengthen the management of risks and opportunities related to biodiversity and ecosystems.

In defining the objectives related to biodiversity and ecosystems, ERG considers the ecological thresholds as an integral part of the environmental authorisation processes (Environmental Impact Assessment or EIA). The thresholds may vary depending on the area subject to authorisation.

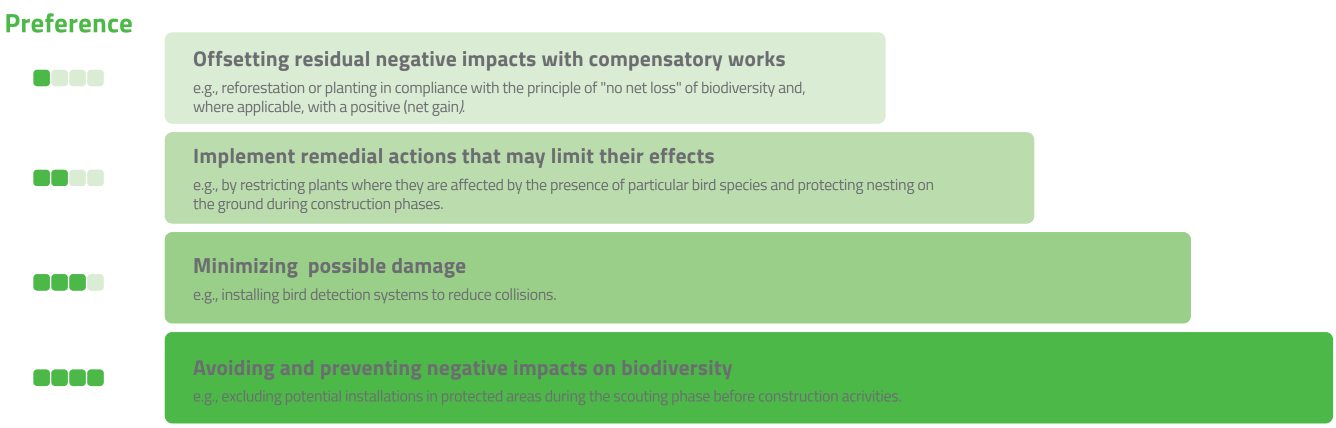
For all plants developed internally, ERG envisages:

- biodiversity assessments in line with the authorisation procedures
- mitigation actions, according to the mitigation hierarchy adopted by the ERG Group, if required by the authorisation requirements.

The mitigation hierarchy represents the best reference practice, and is aimed at:

- avoiding negative impacts on biodiversity
- minimising any damage
- implementing remedial actions
- offsetting residual impacts.

MITIGATION HIERARCHY

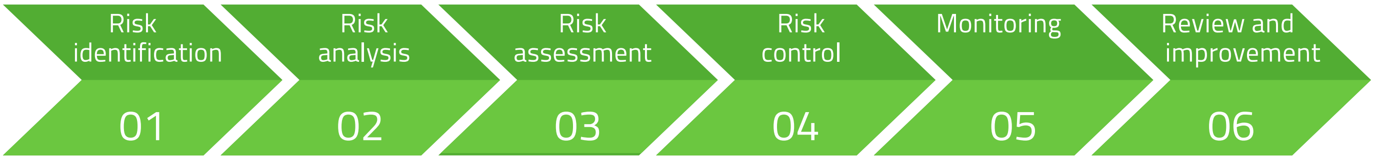


In addition, ERG has activated specific initiatives to promote the regeneration of ecosystems. In France, for example, a non-agricultural area adjacent to the turbine was sown with suitable crops such as barley and wheat toenhance habitat quality and sustainability .

In Spain, ERG instead implemented an agronomic plan on an alternative plot outside the photovoltaic plant area.

ESG risks are integrated into multi-disciplinary, company-wide risk management processes.

Stages in the biodiversity risk assessment process



1. Risk identification: identifying risks to biodiversity, such as habitat destruction
2. Risk analysis: assessing the likelihood and severity of impacts
3. Risk assessment: prioritising risks to biodiversity
4. Risk control: implementing mitigation measures
5. Monitoring: regular monitoring of sensitive species
6. Review and continuous improvement: using monitoring results to update risk assessments

E4-5

Biodiversity exposure and assessment

The ERG Group has assessed its exposure to biodiversity by considering all of its plants at different stages (development, construction, operation) that fall within (i.e., overlapping) or near (within 2 km of the nearest natural site) areas of critical biodiversity. All projects have obtained an Environmental Impact Assessment (EIA), a compulsory step to ensure that the plants' construction and operation are environmentally friendly.

ERG currently owns 223 sites with a total area of 3,273 hectares. Of these, 67 sites (equal to 30% of the total area) over an area of 433 hectares (13% of the total area) are located within a 2 km radius of areas of critical biodiversity.
Specific management plans have been defined for all the sites in sensitive areas; they are based on the monitoring system already in place and supplemented, when necessary, by compensatory initiatives.

Protecting biodiversity in plants

The ERG Group is committed to preserving the habitats around our plants, refraining fromoperating in protected areas and avoiding any contribution to deforestation, while fully complying with allauthorisations obtained. These commitments are consistent with the Sustainable Development Goals (SDGs) defined by the United Nations worldwide. To reaffirm its commitment to minimising possible impacts on nature and biodiversity, beyondthe commitments set outin the Sustainability Policy and HSE Policy, ERG has incorporatedspecific objectives in the ESG Plan which envisage assessing impacts on the environment and biodiversity for all internally developed plants subjected to environmental assessments, according to the authorisation process. ERG conducts this analysis in advance, during the final planning phase, i.e., before the project is submitted to begin the authorisation process, assessing all environmental and biodiversity aspects related to the project, in accordance with EU Directive 2014/52/EU. Once the authorisation has been obtained, the company monitors the possible impacts in both the construction and operational phase, applying any mitigation actions if necessary.
Some examples of the application of assessment and mitigation processes in the different countries in which ERG operates include:

- a complex authorisation process that requires the involvement of central institutions, in addition to the local authorities that assess the analyses and studies presented by the proposer
- compliance with national and local regulations, with detailed studies on environmental aspects
- in-depth studies by naturalist experts on fauna, flora, natural habitats and wetlands, with specific assessments of species at risk of collision with wind turbines
- impact analysis of the project on the surrounding environment, also including compensatory measures, such as artificial nests and buildings for protecting endangered species.

Biodiversity protection examples in different countries

Italy - habitat protection and soil conservation

In Italy, the authorisation process for a new renewable energy plant is particularly complex and requires the involvement of central institutions such as the Ministry of the Environment and Energy Security (MASE) and the Ministry of Culture (MIC), together with local authorities that assess the analyses and studies presented by the proponent.
More specifically, for wind farms MASE assesses environmental aspects such as birdlife, noise, management of excavated soil and rock, electromagnetic radiation and shadow flickering, i.e., the optical effect caused by the shadows of the rotating blades on surrounding buildings. MIC instead focuses more on landscape and archaeological impacts. After obtaining the Environmental Impact Assessment (EIA), the next step is the Single Authorisation (SA) process, issued by the competent Region. In some migratory transit areas, the authorities may request more in-depth studies on the interaction of the farm with seasonal migration, providing for pre-construction and post-construction monitoring.
In photovoltaic plants design, the ERG Group adopts measures to maintain the agronomic characteristics of land unchanged, without altering the morphology or structure of the soil and subsoil. This approach reduces surface erosion and prevents the risk of hydrogeological instability. During the plant's life cycle, the soil is not subject to anthropic pressures, avoiding foreign

chemical elements such as herbicides or fertilisers, and ensuring the maintenance of organic components. ERG ensures the continuity of the habitats, preventing the photovoltaic plants from obstructing natural connections and thus allowing the movement of species between the nodes of the ecological network. The perimeter fences are designed to allow medium and small size fauna to pass through ecological openings. Furthermore, the absence of human activity or disturbing elements in plants' area favours the presence of birdlife.
In support of local biodiversity, the company also implements a green perimeter mitigation belt consisting of native species, which favours the enrichment and continuity of nourishment for the species. This intervention is comparable to a reforestation process, contributing to the resilience of ecosystems and the creation of favourable habitats for local fauna.

France – risk reduction for birds and bats

In France, starting up a new renewable energy projects requires a complex authorisation process. During this process, an independent team of naturalists conducts in-depth studies of fauna, flora, natural habitats and wetlands in and around the project area for over a year. For wind projects in particular, the study investigates the presence of birds and bats within a radius of several kilometres from the site. These studies make it possible to optimise the layout of the turbines and minimise their environmental impact. The ERG Group also adopts specific mitigation measures during construction, such as adapting the work planning to avoid the most critical periods for fauna and construction site monitored by an ecologist. During farm operation, ERG uses detection systems designed to reduce the risk of collision with moving blades.
To preserve the life of bats, whose activity is predominantly nocturnal, almost half of the wind farms operating in France are subject to restrictions on turbine operation at night. These restrictions are based on activities monitored for at least one year by ultrasonic recorders installed in the turbine nacelles. The data collected makes it possible to correlate bat activity with meteorological parameters such as wind speed and temperature, identifying the conditions most favourable to the presence of the species and, therefore, characterised by the highest risk.

ERG conducts mortality monitoring around the turbines in order to verify the effectiveness of the limitation measures. Based on the results obtained, possible thresholds limitation adjustments can be proposed.

United Kingdom - restoration and enhancement of local ecosystems

In the United Kingdom, the authorisation process for a wind farm requires compliance with national and local regulations, with detailed studies on ecological, birding and landscape aspects. ERG is committed to improving local biodiversity, ensuring that every project, especially if large, has a positive impact compared to the pre-existing situation. One such example is the wind farm in Sandy Knowe, Scotland, where the ERG Group has implemented a habitat restoration initiative as part of the Habitat Management Plan.

Germany – compensation and mitigation measures

Before authorisation is issued in Germany, a detailed land conservation plan is drawn up, including all the necessary environmental assessments to calculate the impact of the project. The environmental assessments include the study of nesting birds most exposed to the risk of collision with wind turbines. The ERG Group adopts mitigation and compensation measures which include anti-collision systems, the shut-down of turbines during field sowing periods, nature preservation interventions and species support programmes. During the operational phase, the company continues to protect biodiversity by studying bats in order to adapt the operation of the turbines and minimise the risk of collision.
Impacts that cannot be mitigated are managed through the purchase of eco-points, an ecological compensation mechanism that finances local projects aimed at balancing environmental effects. Even when no eco-points are purchased, the company implements the environmental compensation and restoration measures required by the permit, such as the demolition of obsolete structures and the replanting of field hedges, when necessary.
During the preliminary construction phase, the ERG Group assesses the environmental characteristics of agricultural areas with ditches, water protection zones and protected trees, which can serve as winter refuges for fauna
Furthermore, ERG applies ecological monitoring before and during construction to avoid conflicts with national environmental protection regulations and to ensure compliance with legal provisions.

Spain – infrastructure for fauna and agronomic plans

In Spain, the positive outcome of the Environmental Impact Assessment (EIA) process is formalised by the Environmental Impact Declaration (EID). To implement the compensatory measures laid out in these declarations, the ERG Group has allocated additional land in the solar plants of Tabernas and Almansol. The measures introduced included crop rotation and natural habitats of community interest protection. Moreover, ERG has installed artificial nests and other structures for the protection of endangered species.
For the Garnacha photovoltaic plant, the company has provided an agronomic plan to be implemented on an alternative plot of land outside the project area. The project will cover an area equivalent to that of the plant, equal to 224.37 hectares, by the Castile and León Natural Heritage Foundation. The main measures include:
- crop rotation
- use of long-cycle grains and late harvesting
- a significant presence of uncultivated land
- prohibition of plant protection products
- maintenance and conservation of natural borders.

With regards to fauna, the project involves the installation of various infrastructures:
- a building for the storage and recovery of the lesser kestrel
- six mounds that serve as a refuge for small mammals and invertebrates
- 40 nest boxes and 10 perches for birds of prey
- reflective plates on the fences to prevent bird collisions
- ecological corridors for the passage of wild animals.

Lastly, to minimise visual impact for the local population, ERG installed a plant screen around the photovoltaic plant. Moreover, plant maintenance and supervision activities have helped to boost employment in the area.

For the Fregenal de la Sierra photovoltaic plant, ERG has adopted further measures in favour of biodiversity, including:

- anti-killing barriers for amphibians
- planting trees to form a plant barrier in the southern sector of the project
- control of the vegetation inside the plant through sheep grazing.

United States - regeneration of natural habitats

In the United States, the ERG Group has planted maple trees and created a wildflower area near the operations centre of the Great Pathfinder wind farm, with the aim of increasing biodiversity on a previously unused portion of land.
Moreover, ERG has made a dedicated conservation contribution to support the activities of The Nature Conservancy (TNC), which has several achievements in terms of biodiversity:

- the creation of approximately 6 hectares of habitat for the Topeka shiner, a federally protected fish species, and numerous other species, through the restoration of 10 river oxbows in Wright, Hamilton and Webster counties
- the total creation of approximately 14 hectares of grassland habitat
- removal of excess sediment from wetlands, allowing their natural ecological functions to be restored.

ESRS E5

RESOURCE USE AND CIRCULAR ECONOMY

E5-1 E5-2 E5-3

Policies, Actions and Targets relating to resource use and circular economy

For ERG, the sustainable management of resources and their end of life i.e, their circularity - represents a fundamental principle that allows reducing environmental impact, minimising waste and maximising the reuse of production inputs.
A model of circular economy limits CO_2 emissions and promotes respect for the environment and for the needs of future generations. It also ensures regulatory compliance and reduces financial risks related to resource scarcity. Circularity is an integral part of ERG's business strategy and is mainly related to plant modernisation activities. In this regard, the company has included specific objectives in its Top Management remuneration plans (Management by Objectives or MBO[27]). For example, it was reaffirmed in 2025 that at least 98% of materials from wind power plant modernisation projects (repowering) should be recovered.

"In the context of an increasingly dynamic market, value comes from the ability to adapt plant and infrastructure projects to the new requirements of the electricity system. Flexible choices and evolutionary asset management allow us to turn change into a factor of strength and growth."

Costantino Deperu
Chief Business Development, Engineering & Construction Officer

The circularity of wind repowering

ERG already integrates the sustainable management of end-of-life assets into its repowering planning, from the initial phases of the project. Despite their long period of operation, the decommissioned turbines retain a residual capacity that allows their reuse at sites other than their original ones or, alternatively, to recover materials, thus ensuring the optimal enhancement of the decommissioned assets.
In the case of recycling, ERG has developed a technical and commercial approach that allows decommissioned turbines to re-enter a virtuous cycle of reuse in the secondary market, extending their useful life and reducing their overall environmental impact.
In the case of material reuse, aerogenerators are demolished and recycled locally. This minimises the transport of materials, promotes the complete recovery of the ferrous fraction and avoids landfilling. ERG carries out the dismantling process in cooperation with authorised suppliers who manage the dismantling and removal activities and take ownership of the components.

All the repowering projects that had already been started were completed in 2025. At the end of the first quarter of 2026, ERG will begin dismantling some aerogenerators which will be reused internally or resold to accredited suppliers.

CIRCULAR ECONOMY IN WIND REPOWERING PROJECTS

2 turbines disassembled

2 turbines recovered in the secondary market
or reused internally

27 For details on MBO targets, please see the section Sustainability-related performance in incentive schemes.

The circularity of photovoltaic revamping

Also in 2025, in the revamping projects of photovoltaic farms, ERG followed a virtuous approach of circular economy, guaranteeing the recovery and reuse of discarded materials through:

- photovoltaic module management: the modules which were replaced because they were no longer functioning or with non-repairable defects were transferred, consistent with regulatory provisions, to dedicated consortia which maximised the recovery of the materials that make up the panels
- recovery of metal structures: the old support structures of the modules were sent for recycling at dedicated plants.

All the revamping projects launched in 2024 were finalised in 2025. In addition, three new projects not originally envisaged in the plan were started in Molise (3 MW). For these projects, ERG followed a virtuous circular economy approach, ensuring the recyclability of 96% of the material from decommissioned photovoltaic modules and support structures.

CIRCULAR ECONOMY IN SOLAR REVAMPING PROJECTS

3 solar farms dismantled

Overall recovery
(photovoltaic modules and structures)

E5-5

Towards circular waste management

Reducing environmental impacts is a central goal of ERG's sustainability strategy. One of the most important elements is the adoption of policies focused on minimising the waste generated by the Group's activities.

ERG classifies waste according to its nature and origin, paying particular attention to the presence of hazardous substances. Each type is assigned a code from the European Waste Catalogue (EWC), which allows the company to make a clear distinction between hazardous and non-hazardous waste. Once produced, ERG temporarily stores the waste in dedicated areas compliant with regulatory requirements, known as "temporary deposits", recording the waste in the "loading and unloading register". The temporary deposits are managed according to the times and methods dictated by the regulations. ERG plans the collection and transport of waste to authorised treatment plants with the support of qualified intermediaries enrolled in the National Registry of Environmental Managers.
The choice of the final destination plant is based on the type and location of the waste, with the following priority hierarchy:

- recovery
- treatment
- waste-to-energy
- disposal in landfills only as a last option.

The main waste flows derive from plant maintenance operations and the revamping of photovoltaic installations. This does not include WTGs (Wind Turbine Generators) recovered in repowering projects, as the main components are sold in the "second-hand market" and do not enter the waste cycle.
Thanks to a constant commitment to improving process circularity, in 2025 the Group recovered approximately 84% of its waste, actively contributing to the transition to a circular economy model.

In addition, ERG has implemented a system of audits and regular monitoring in order to maintain high standards of compliance and ensure proper waste management. These activities are carried out as part of the application of the management system in accordance with ISO 14001 (Environmental Management Systems),in the countries where the system has been adopted and certified. In contexts where the standard does not apply, audits are performed by the HSE (Health, Safety, and Environment) team, which is central to ensuring full coverage of assets.

In the environmental field, ERG places particular importance to the training and awareness-raising among its people. The company organises specific courses to ensure that the waste management process is carried out as efficiently and safely as possible. This approach ensures targeted and relevant training for each stage of the process.

ERG intends to continue its commitment to waste reduction and sustainable management practices in 2026 as well.

Resource Outflows

E5-5 Diverted from disposal	Uom	2025	2024
37. (b) Total	t	597	2,330
37. (b) Hazardous waste	t	48	77
37. (b) i. Preparation for reuse	t	-	-
37. (b) ii. Recycling	t	1	-
37. (b) iii. Other recovery operations	t	46	77
37. (b) Non-hazardous waste	t	549	2,254
37. (b) i. Preparation for reuse	t	2	-
37. (b) ii. Recycling	t	-	-
37. (b) iii. Other recovery operations	t	547	2,254
Directed to disposal			
37. (c) Total	t	115	185
37. (c) Hazardous waste	t	30	42
37. (c) i. Incineration	t	8	-
37. (c) ii. Landfill	t	-	-
37. (c) iii. Other disposal operations	t	22	42
37. (c) Non-hazardous waste	t	85	143
37. (c) i. Incineration	t	-	-
37. (c) ii. Landfill	t	-	-
37. (c) iii. Other disposal operations	t	85	143
37. Total waste	**t**	**712**	**2,515**
37. (d) Non-recycled waste (of which)	t	115	185
37. (d) Percentage of non-recycled waste (of which)	%	16%	7%
39. Total amount of radioactive waste	t	n.a.	n.a.
39. Total amount of hazardous waste	t	78	118

The decrease in waste quantities in 2025 compared to 2024 is mainly due to lower solar repowering activities (252 t vs 1,673 t) and lower fire-related excavated rock recycling activities (464 t in 2024).
Regarding waste destined for disposal, the slight decrease in 2025 is attributable to warehouse rationalisation activities, mainly carried out in 2024.
These phenomena had an impact on the percentage of recycled waste at Group level (84% in 2025 vs 93% in 2024).

Life time extension in wind power

The Life Time Extension (LTE) process of ERG aims to identify structural and safety criticalities of the plants through in-depth engineering studies and the operational experience gained in the management and maintenance of assets. The objective is to implement specific monitoring and maintenance plans aimed at maximising the operational life of the plants beyond the 20-year validity envisaged by the manufacturer's "Certificate". The Lifetime Extension has multiple effects:

- major security and reliability in asset management
- reduced environmental impact of plants, thanks to the postponement of their decommissioning and disposal.

The activities continued in 2025. Overall, we have certified 49 plants, for an installed capacity of approximately 670 MW distributed between Italy, Germany and France. For most of these plants, a 10-year extension of the useful life has been confirmed, while in-depth studies are underway on others in order to achieve the same objective. At the same time, preliminary technical-economic assessments have been launched on another 830 MW distributed among all the countries in the ERG portfolio. The 2026 certification plan will continue, involving another 18 plants for approximately 290 MW of total installed capacity.
Specifically, the maintenance campaign continued on the V47 aerogenerators in Italy; they are the oldest in ERG's portfolio, with in-house staff working on around 200 turbines each year.

"ERG is proactively responding to the evolution of a market with increasing price volatility, enhancing the system's flexibility and ability to adapt production and asset management to the new energy dynamics. Also thanks to long-term relationships with industrial and corporate partners, this approach strengthens the soundness of the Group's business model."

Renato Sturani
Chief Operating Officer

Efficiency in wind operations & maintenance through predictive analysis

To minimise costs and limit production losses related to maintenance work, ERG has developed a strategy for management and maintenance (Operation & Maintenance or O&M) which is focused on optimising processes and adopting increasingly advanced and efficient technologies.
In wind power sector, the Group has internalised its O&M activities by introducing a predictive maintenance model. The continuous monitoring of aerogenerators operating conditions allows the early detection of faults or component anomalies, avoiding downtime due to sudden failures. This approach is based on the creation of preventive and customised maintenance sheets for each turbine.
To facilitate plant control, ERG has installed advanced sensors on 936 turbines, equal to 2,343 MW between Italy, France,Germany, Eastern Europe and the United Kingdom. This network monitoring establishes the Condition Monitoring System (CMS), which makes it possible to oversee the status of the main mechanical components most subject to wear and breakage, such as the main shaft bearings, the multiplier and the generator. This reduces repair and maintenance time and costs. ERG considers the installation of such systems a must for all new machines.
The automated analysis of the data collected by the CMS strengthens the ability to identify anomalies and prevent failures, improving operational efficiency, increasing production and reducing the waste generated by maintenance activities.

SOCIAL INFORMATION

"Human capital is a strategic factor of creating value for ERG. The experience and skills of our people, combined with our ability to master ever-changing tools and challenges, allow us to achieve the Group's strategic objectives, supporting solid and lasting growth."

Giorgio Coraggioso
Chief Human Capital & ICT Officer

ESRS S1

PEOPLE AT THE CORE

S1-1 S1- 5

Strategies, Policies, Actions and Targets

In over 85 years of history, ERG Group has faced innovative and sustainable evolutions and growth processes, mainly thanks to the contribution of its people. ERG recognises the unique value of each individual: every talent is valuable to continue growing as a Group and generating innovation for the community. To enhance human capital, characterised by talent, skills and relationships, the company invests in a stimulating and inclusive working environment, which allows everyone to express themselves to the best of their abilities and improve their skills.
All the principles guiding the approach to people management are laid out in the Code of Ethics and corporate policies (Sustainability, Human Rights, Diversity and Inclusion, Gender Equality, and Preventing Violence, Harassment and Bullying in the Workplace).

Human capital enhancement initiatives are articulated in several areas:

Diversity equity & inclusion

The Group has defined a programme of actions aimed at developing a professional environment based on equal opportunities, non-discrimination and respect for diversity. This commitment has also materialised through the achievement of gender equality certification.

Multi-generationality and multiculturality

ERG invests in developing the soft skills needed to manage a multi-generational and multicultural business environment. The entry of those belonging to "Generation Z" required targeted tools to understand their needs and expectations, in order to encourage effective recruitment. In addition, ERG has operated in a multicultural context and market for years, with the presence of 30 different nationalities within the company.

Skills development

ERG promotes personal growth through:

- initiatives oriented towards professional development, promoting the growth of skills in line with changes in the labour market
- continuous training tools (long-life learning) and professional requalification (upskilling and reskilling)
- international mobility opportunities to support the professional growth of people in line with the company's development objectives
- training programmes in line with technological innovation and business needs
- productivity enhancement and incentive systems that link economic results with the contribution of people, guaranteeing sustainability over time.

Work-life balance

Consideration for people's needs and their level of engagement is at the core of ERG's human resources management strategy. In this perspective, the Group has given a strong boost to the work-life balance plan to support the overall well-being of employees and their families.

Leadership model[28]

In 2025, ERG implemented a new Leadership Model which defines the values, behaviours and skills that inspire the daily actions of each person, guide individual and collective growth paths and support recruiting, training and development processes.

28 For more on the new leadership model, please see "Managerial training".

HERITAGE
We recognise and value our corporate history as the foundation for building the future

SUSTAINABILITY
Through our growth, we contribute to creating a better world for all stakeholders

PASSION
We cultivate positivity and share our passion for what we do

CHALLENGE
We courageously face the challenges of a fast-changing market

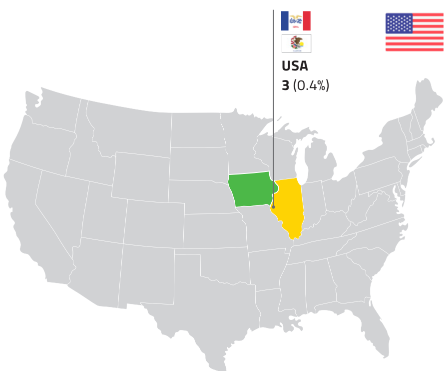
S1-6 S1-7 S1-9

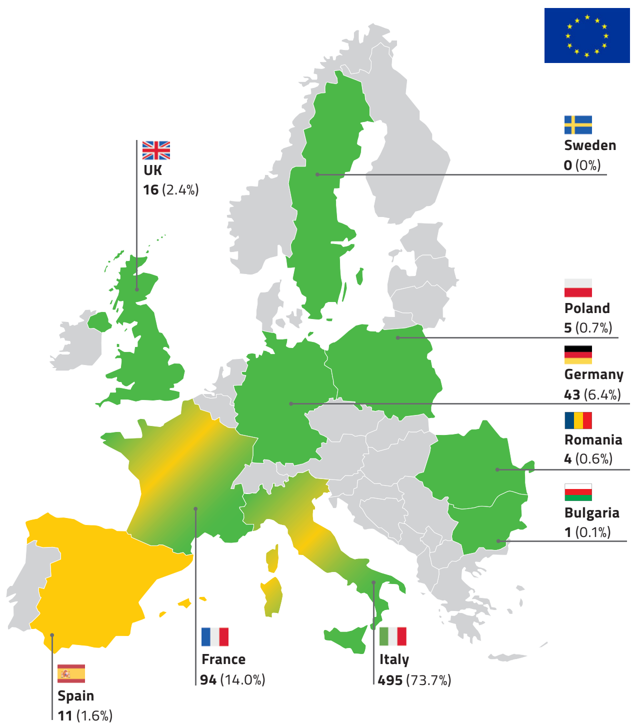
The people of ERG

TOTAL: 672

461 (68.6%)

211 (31.4%)





Characteristics of the undertaking's employees

S1-6	Uom	2025					2024				
		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
50. (a) Total employees	**no.**	**461**	**211**	**-**	**-**	**672**	**455**	**205**	**-**	**-**	**660**
50. (b) Permanent employees	no.	459	209	-	-	668	452	203	-	-	655
50. (b) Temporary employees	no.	2	2	-	-	4	3	2	-	-	5
50. (b) Non-guaranteed hours employees	no.	-	-	-	-	-	-	-	-	-	-
52. Optional - Total employees	**no.**	**461**	**211**	**-**	**-**	**672**	**455**	**205**	**-**	**-**	**660**
52. (a) Optional - Full-time employees	no.	460	188	-	-	648	454	178	-	-	632
52. (b) Optional - Part-time employees	no.	1	23	-	-	24	1	27	-	-	28

Number of employees at the end of the period is 672 (669 average employees)
Financial statement turnover EUR 752.4 million[29]
Turnover per employee = EUR 1.1 million/u

Characteristics of the undertaking's employees

S1-6	Uom	2025	2024
Number of employees (at year end)	no.	672	660
50. (c) Number of employees who have left	no.	36	45
50. (c) Rate of employee turnover	%	5.4%	6.9%

Characteristics of non-employees in the undertaking's own workforce

S1-7	Uom	2025	2024
55. (a) Total number of non-employee workers	**no.**	**15**	**17**
55. (a) of which workers provided by undertakings primarily engaged in employment activities	no.	2	6
55. a) of which number of grant holders	no.	13	11

Non-employees are calculated in terms of number of people and are represented by:

- temporary personnel: workers provided by temporary employment agencies to cover work peaks or temporary absences. The company contract and any supplementary contract apply. The duration is variable according to needs and the work contract can be renewed up to a maximum of 24 months.
- fellows: personnel undergoing training and with internships at the company with a six-month/one-year contract without defined working hours and with a monthly repayment of expenses below the tax minimum. The remuneration is a fixed monthly amount defined at government level without the payment of contributions.

Diversity metrics - top management

S1-9	Uom	2025					2024				
		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
66. (a) Number	no.	7	1	-	-	8	7	1	-	-	8
66. (b) Percentage	%	88%	13%	-	-	100%	88%	13%	-	-	100%

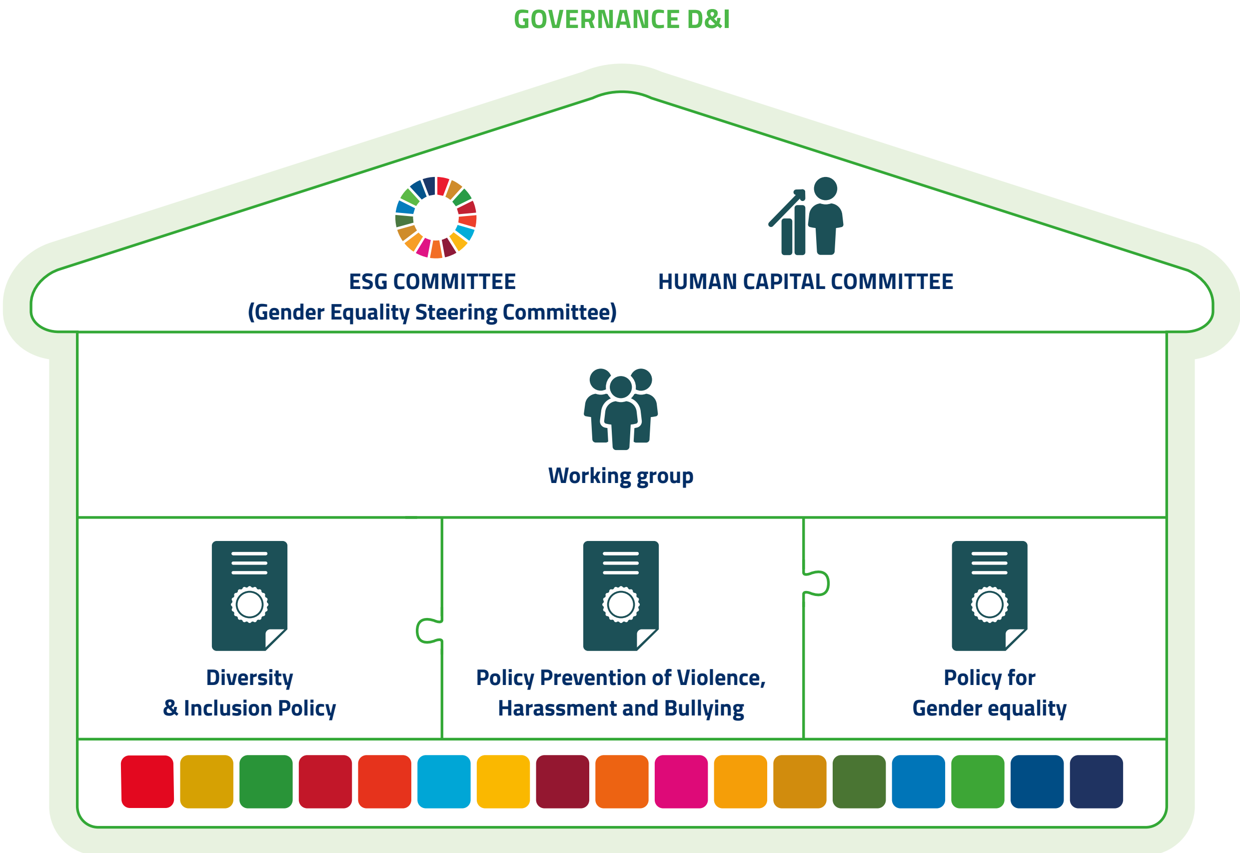
29 Adjusted figures, including Sweden, over which the ERG Group exercised operational control throughout 2025.

Diversity metrics - age range

S1-9	Uom	2025					2024				
Number		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
< 30 years old	no.	53	30	-	-	83	58	32	-	-	90
30-50 years old	no.	300	126	-	-	426	300	122	-	-	422
> 50 years old	no.	108	55	-	-	163	97	51	-	-	148
Total	**no.**	**461**	**211**	**-**	**-**	**672**	**455**	**205**	**-**	**-**	**660**
Percentage	Uom	Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
< 30 years old	%	11%	14%	-	-	12%	13%	16%	-	-	14%
30-50 years old	%	65%	60%	-	-	63%	66%	60%	-	-	64%
> 50 years old	%	23%	26%	-	-	24%	21%	25%	-	-	22%
Total	**%**	**69%**	**31%**	**-**	**-**	**100%**	**69%**	**31%**	**-**	**-**	**100%**

The approach to diversity, equity & inclusion

"Since its inception, ERG has given fundamental importance to the Person and to Human Capital. Corporate development and, more generally, the centrality of ESG topics and the challenges related to the energy transition require the enhancement of the specificity and talents of each person even further. In this ever-changing environment, the diversity of ideas and experiences is crucial for generating innovation and value for ERG and its stakeholders. As part of its Business Plan and ESG Plan, ERG has defined an action programme to develop a professional environment based on equal opportunities, non-discrimination and respect for diversity and multiculturalism. The company has adopted a proactive strategy to overcome any barriers that might prevent people from being fully included in the workforce. It has also defined clear and measurable objectives that have been incorporated into the short- and long-term variable incentive schemes."
Diversity and Inclusion Policy



DIVERSITY & INCLUSION JOURNEY

2019 - 2020

Inclusive Leadership Training, Stereotypes/Bias and Language

Launch of **"The Power of Diversity" Project**

THE POWER of DIVERSITY

Experimental period of remote work (before the pandemic)

2021

D&I Policy

ESG Plan and specific objectives in the incentive systems

Community Bias Genere and Generazioni

2022

Inclusion in **Bloomberg Gender Equality Index**

Adoption of **Women's Empowerment Principles**

Policy for the Prevention of Violence, Harassment and Bullying

Trade union agreement on remote working

2023

Gender Equality Policy

Parenting and Caregivers
Trade union agreement

2024

Infragroup Mentorship

People Processes revision-update

UNI/PdR 125:2022
Gender Equality Certification

2025

UNI/PdR 125:2022
Gender Equality Certification confirmation

Trade union agreement on **remote working**

In 2024, ERG S.p.A. and ERG Power Generation S.p.A. obtained UNI PdR 125:2022 certification (known as "Gender Equality Certification"), confirming the soundness of the path launched in 2019 to promote gender equality. This goal was achieved thanks to the constant improvement of company practices focused on promoting the diversity and well-being of each person through the centralised management of policies and processes.

Confirmed in 2025, the certification marked an important evolution in People processes, pushing the Group to review and update the entire life cycle of the person in the company. The commitment to ensuring equal opportunities for development, implementing transparent remuneration policies and guaranteeing an increasingly inclusive work environment has been strengthened, with the aim of promoting diversity within all Group companies

THE PATH TO CULTURAL AND INCLUSIVE EVOLUTION

	2020	2023	2024	2025	Target 2026	Target 2029
Women in the workforce	22%	31%	31%	31%	~30%	≥30%
Women Key Leaders(a)	9%	18%	19%	18%	≥20%	20-25%
Key Leaders(a) abroad	9%	22%	23%	25%	20-25%	>25%

(a) Key Leaders = Managers and Senior Managers

S1-2 S1-3

People engagement

People engagement has always been one of the ERG Group's priorities. The sharing of values, the evolution of culture in line with the strategy, and the knowledge of short- and long-term objectives are indispensable elements for the achievement of company results, and simultaneously for professional satisfaction, the realisation of one's own purpose and individual well-being.
People engagement is developed around the two following axes:

- Strategic alignment, which is based on the availability of information, constant and timely updates on projects and results, and the opportunity to exchange views with Senior Managers and colleagues;
- Belonging, which reinforces the sense of belonging through awareness of what working at ERG makes possible: contributing to the just transition and building a more sustainable world, enhancing one's personal purpose while achieving that of the company. It is based on building a safe, inclusive environment where each person can express themselves, growing professionally and personally.

TOOLS FOR STRATEGIC ALIGNMENT

INITIATIVES FOR BELONGING

PEOPLE ENGAGEMENT
ERG

ERGate intranet: gateway to information that regulates corporate life and news about the Group

INSIDERG: Launch of the newsletter with insights on business, scenarios, sustainability/ESG, HSE, D&I.. By ERG People

Question Time with VPE and CEO: space for direct discussion between the People of ERG on the energy scenario, life in the Group and the growth of ERG

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

Programmes for **enhancing** a sense of **personal efficacy**, and empowering ERG people as **promoters of the Company's values**

Ambassadorship and testimony for the Next Generation and some professional communities

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

ACTIVITIES CARRIED OUT DURING 2025

1 Group Meeting for Group Key Leaders (75 persons) to work together on the strategic lines of the new Business Plan and Leadership Model

2 Question Time:
- 8 June (409 connections between people and meeting rooms)
- 17 November (424 connections between people and meeting rooms)

Personal Purpose with ERG Academ: a path to defining one's personal purpose and aligning it with that of E

10 STEM Role Models, 14 Ambassadors in schools

All Group people involved in live events in the various local offices at the end of the year and a live stream ("Season's Greetings" - 17 December - 405 connections)

ERG SPORT

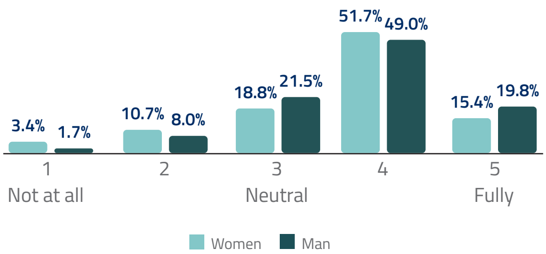
ERG for sport: Lyon Marathon and Half Marathon, Charity Programme Relay Marathon Milan, Cinque Terre Passion Ride

Survey

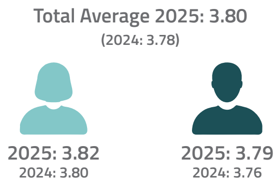
Every year, ERG invites all Group people to share their perceptions of the work environment, job satisfaction, the level of engagement with their role and company, stress levels and alignment of personal and corporate values through a survey. The survey is anonymous and makes it possible to share ideas, suggestions and proposals for improvement with open-answer questions that integrate the traditional closed-choice responses.

More than 75% of the workforce participated in the survey in 2025 (70% in 2024).
The results are broadly in line with the previous year: job satisfaction averages 3.7 on a scale of 1 to 5 (3.8 in 2024). Engagement with work achieved an average score of 3.8 (3.8 in 2024) and organisational engagement was 3.6 (3.7 in 2024).

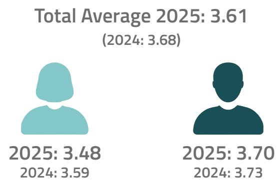
JOB SATISFACTION



JOB ENGAGEMENT



ORGANISATIONAL ENGAGEMENT



S1-2

Trade union and workers' representatives

ERG considers it essential to engage employees and their representatives in the decision-making processes that affect corporate strategy, work organisation and occupational health and safety. Dialogue is an essential foundation in sustainable human capital management and an integral part of the company's approach to long-term value creation.
ERG promotes structured and continuous dialogue with trade union representatives in the contexts envisaged by legislation and collective agreements, guaranteeing a discussion on the main topics concerning the management of real and potential impacts on the workforce. Workers can express their perspectives through periodic meetings with its representatives or directly through periodic meetings with ERG Senior Manager, with the possibility of discussing company-related topics.

Worker engagement is governed by a structured system of industrial relations tools, which guarantees respect for rights, transparency of decisions and responsible management of organisational changes.

- The National Collective Labour Agreement (NCLA) is the first fundamental document that regulates the rights and duties of both workers and the company. It establishes the guidelines for employment relationships, the economic and regulatory treatment, as well as defining the participation tools for workers' representatives within the company. Trade union legal representation rights and collective bargaining mechanisms are defined through the National Collective Labour Agreement, guaranteeing workers a shared reference basis for the protection of their interests. In particular, with regard to sustainability matters, also pursuant to Italian Legislative Decree no. 125 of 6 September 2024, implementing EU Directive no. 2022/2464 (known as the 'Corporate Sustainability Reporting Directive'), Article 6, paragraph 12 provides that, after the approval of the final financial statements for the year, the trade unions may request meetings where the company provides the relevant information.
- The Industrial Relations Protocol, developed in collaboration with trade unions, establishes the rules and procedures that govern dialogue between the company and trade unions. This document outlines the consultation and prior information processes applied by the companybefore implementing organisational or strategic changes that may have an impact on personnel. The protocol also calls for periodic meetings with trade union representatives to monitor and discuss central topics such as working conditions, training, company welfare policies and technological innovations.
- The Bilateral Corporate Commissions, consisting of company and trade union representatives, have the objective of addressing specific and strategic topics, training and development policies, equal opportunities and occupational health and safety. They create an essential space for dialogue and continuous collaboration, aimed at developing shared solutions on topics of strategic interest to both parties.
- Periodic/thematic discussion tables are an articulated system of discussions with trade union representatives, which includes periodic, thematic and extraordinary meetings. These spaces for dialogue aim to monitor the application of company agreements, share professional development and personnel training plans, address organisational critical issues and manage emerging needs in a flexible and targeted manner.

The consultation process takes place at both national and local level, depending on the topics covered.

ERG's commitment to responsible working practices

Social dialogue is part of ERG's broader commitment to promoting and protecting labour rights, with a focus on managing work hours and preventing overtime.
All employees are entitled to paid annual leave, without any reduction in salary or loss of social protection, in accordance with the applicable regulations and collective agreements. ERG encourages their full use as an essential tool for psychophysical well-being.

When restructuring or major organisational changes arise, the company fully complies with the consultation requirements and notice periods establishedby national legislation, ensuring prior discussion with workers' representatives, as well as measures to mitigate social impact.

Organisational responsibility

The operational responsibility for employee engagement and the implementation of human capital policies lies with Human Resources department and Human Capital Committee (HCC), which ensures the integration of personnel policies with the Group's strategic and ESG objectives, promoting ethical, inclusive and sustainable people management.

S1-8 S1-11

Coverage of collective bargaining and social protection

Collective Bargaining

Dialogue with trade unions continued in 2025, maintaining the climate of openness, collaboration and transparency built up over the years, which has enabled important agreements to be reached at both national and local level, with concrete impacts on improving the quality of work and the well-being of people.

In line with the principles promoted by the European CSRD (Corporate Sustainability Reporting Directive), the Group has also implemented communication and participation channels that further strengthen social dialogue. This approach not only promotes listening and the active involvement of social parties, but also contributes to integrating social sustainability and responsible governance into company strategy. These initiatives have proven essential in ensuring the long-term competitiveness of the company, successfully addressing complex challenges of national and international context and promoting a more inclusive and participatory working environment.
In February 2025, the National Collective Labour Agreement for electricity industry, which is the ERG Group's reference CCNL, was renewed, setting out the economic and regulatory adjustments for the three-year period 2025-2027.
As far as the Group is concerned, the second-level agreement on remote work was signed on 22 December 2025, which confirms the possibility of remote workdays, guaranteeing flexibility and work-life balance. Cooperation has also been strengthened in the implementation of existing trade union agreements, particularly those concerning the development of technical and professional skills of personnel, especially in the technical area and in wind & solar maintenance. It is a question of adapting these skills to a changing market, ensuring high operational standards, supporting organisational growth and encouraging the retention of the most qualified professionals.

At the level of the EEA (European Economic Area), the following percentages are reported regarding employee coverage by workers' representatives in countries where the level of employment is significant:
- Italy: 100% of employees are covered by company union representatives (RSA/RSU), as required by the National Collective Labour Agreement (CCNL)
- France: 100% of employees are represented by company committees (Comités d'Entreprise), in line with the French Labour Code
- Spain: 100% of employees are covered by the local national contract, in compliance with Spanish labour law.

All workers, both in Italy and abroad, benefit from social coverage against loss of income deriving from the following events:
- Illness: protected by the legislation in force in the relative country, with any additions deriving from contractual arrangements
- Unemployment: guaranteed according to the local regulations of each country, ensuring economic support in work transition phases
- Injuries or acquired disabilities: covered in Italy as envisaged by the National Collective Labour Agreement (NCLA) for Electricity and by INAIL, and abroad through equivalent insurance and contractual systems, in compliance with local regulations
- Retirement: regulated by the legislation in force in each country where the Group operates, guaranteeing economic security at the end of an employee's career.

The ERG Group adapts its policies to comply with the specific regulatory and contractual requirements of each country, guaranteeing high standards of protection and social assistance wherever the workers are located.

Coverage of collective bargaining and social dialogue

S1-8	u.m.	2025	2024
Employees covered by collective bargaining agreements	no.	603	598
Number of employees	no.	672	660
60. (a) Percentage of its total employees covered by collective bargaining agreements	%	90%	91%
Number of employees covered by workers' representatives	no.	570	564
Number of employees	no.	672	660
63. (a) Percentage of employees covered by workers' representatives	%	85%	86%

All managers who, although covered by National Collective Labour Agreements (NCLA for industry managers), do not appoint their own representative and are excluded from the coverage of workers' representatives.

Support for parents and family

ERG promotes work-life balance by ensuring adequate support at every stage of work and personal life. It recognises the value of care in all situations, including contingent ones, in which a person may find themselves during their working life, defining benefits and services to support them. These benefits are granted to all persons in the Group.

During compulsory maternity and paternity leave, which allows absence from work at specific times before and after the birth of a child, Group employees receive full pay at 100%, and are also guaranteed optional parental leave, which allows parents to care for their child during the early years of life.
This period can be shared between the parents and can be split or continuous, with an allowance calculated based on the child's age and the duration of the absence.
In Italy, which accounts for about 74% of people in the group, ERG grants the following leave:

- 21 fully paid compulsory weeks for the primary carer
- 2 fully paid compulsory weeks for the secondary carer
- 39 weeks shared between the primary and secondary carers, of which 13 weeks are paid at 80% of the current monthly salary, and the remaining 26 weeks at 30% of the current monthly salary.

In 2025, 100% of people who took compulsory leave returned to work. To facilitate this return, an annual contribution for nurseries and pre-schools is offered to support parents in managing everyday life. Paid hours are also provided for breastfeeding up to the first year of the child's life.

To promote reconciling work and family life, ERG offers part-time opportunities, and allows two additional days per month compared to the eight standard days of remote working for those with special family needs, such as caring for children and/or family members with disabilities.

In addition, paid leave is provided for personal medical examinations or for providing support to family members, and additional leave related to parenting according to the regulations of each country.

Lastly, ERG has introduced the "Solidarity Holiday Reserve", which allows each employee to transfer leave days to colleagues in need, to assist family members who need constant care or who find themselves in difficult situations. The company contributes to this initiative by adding 100% of the days of solidarity leave donated.

Health and income support

In all Group countries, supplementary health insurance is available at favourable conditions with respect to market alternatives. To promote preventive healthcare, an additional contribution is given to carry out specific health check-ups in addition to the packages offered by healthcare coverage.

In Italy, employees with an income lower than EUR 80,000 can access the Flexible Benefit programme, which makes it possible to convert the company performance bonus into reimbursements, goods and welfare services. Membership in the programme guarantees an increase in purchasing power of approximately 35% by cumulating tax savings and company integration.
Lastly, in countries where regulations allow it, ERG offers supplementary pension plan coverage through pension funds, also boosted by company contributions.

S1-15

Corporate welfare and well-being at the heart of the strategy

The integrated welfare model is built around people, with the aim of meeting the needs of Group employees and their families, helping them to live well and stay healthy, making them feel comfortable and satisfied in the work environment, reaching performance levels that are satisfactory for both the individual and the Group.

The welfare model covers the five areas of well-being (Purpose & Career, Physical, Financial, Mental and Social).
The Group accompanies the person from the moment they are hired (with the onboarding process), following them through the various stages of their corporate and private life, until they make their natural exit from the world of work.

The Group's ESG Plan includes specific targets in the area of employees' well-being that go in the direction of a better work-life balance.

Among the initiatives for the psychophysical well-being of people, the paths for managing work-related stress, psychological support and the well-being platform are all noteworthy, covering 100% of Group employees. In addition, the in-house gym at the headquarters is open to all ERG employees.

The "Solidarity Holidays" model has been exported to various countries, and the process of harmonising benefits and remote work has continued in 2025, in line with the specific needs of each nationality.

Finally, ERG offers tools for managing negative impacts: each worker benefits from an accident and risk policy that also covers them during business trips.

Employee welfare

Welfare Area	Wellbeing factor	Description
Purpose & Career	Onboarding	ERG orientation programme aimed at introducing the company, the main tools available and the main stakeholders to enable the new employee to settle in quickly.
	ERG Academy and growth paths	Training and development course aimed at increasing the individual value of people.
Social well-being	Medical assistance	Health insurance that guarantees a percentage reimbursement of health expenses in public and private healthcare institutions.
	Professional and non-professional accident policy	Additional and improved insurance coverage compared with legal and contractual obligations.
	Prevention programmes and safeguards	Prevention protocols differentiated by the types of risk associated with the workplace (head offices, production sites). Voluntary cancer prevention programmes. Flu vaccination campaign.
	ERG Wellness programme	Gym and path focused on the health and well-being of employees to promote work-life balance and lifestyle improvement.
Financial well-being	Supplementary pension schemes	Supplementary pension funds supported by company contributions.
	Life insurance	Coverage aimed at ensuring the safety of employees' families.
	Flexible benefits	Possibility of converting a portion of the participation bonus into welfare goods and services.[a]
	Transport	Contribution to encourage the use of the public transport system.
	Agreements	Agreements for the purchase of goods and services, agreements with CAAF[b], bank credit cards.
Mental well-being	Working hours	Remote working. Additional time off for medical examinations for self and family members. Part-time for parents. Flexible working hours, individual time accounts..
	Solidarity holidays	Reserve of holiday hours donated by employees to benefit colleagues in need. ERG doubles every day donated by employees.
	Marriage leave	More flexible marriage leave compared with national legislation.
	Parental leave and mandatory absences	During the compulsory maternity and paternity leave, employees maintain company benefits and 100% of the ordinary remuneration is paid.
	Crèche & nursery school	Agreements or reimbursements.[a]
Social well-being	Scholastic excellence	Scholarships for the most deserving children of employees.
	Free time	Family Day and corporate volunteering projects.
	ERG for Sport	Direct participation in national and international sports events.
	Events	Christmas gift and Christmas party. 30 years together.

(a) Italy
(b) Italian Tax Assistance Center

Work Flexibility

The values that characterise ERG's managerial model reinforce the culture of autonomy, innovation and mutual trust. In this context, agile working, or remote work, is promoted as a flexibility tool that makes it possible to improve work/life balance, and as a sign of concrete attention to the community, also in terms of environmental sustainability.

At ERG, remote working is characterised by a flexible and results-oriented approach, also guaranteeing the right to disconnect in time slots not included in the working hours. The participants are all people who, due to their activities, type and organisational and production needs, can carry out their duties in alternative places to the usual ones. Each employee involved can take advantage of eight days a month of remote work.

The agile work Agreement also sets out better conditions (ten days per month of remote work) for caregivers[30]. For personal reasons or for temporary needs of family balance, some people - in agreement with the HR department - can take advantage of a higher number of agile workdays per month.

Staff work remotely on a voluntary basis, signing an individual agreement in compliance with regulations.

Work-life balance is also facilitated by daily flexibility in work hours and granting part-time hours linked to the return from long-term mandatory parental leave.

Work-life balance metrics

S1-15	Uom	2025					2024				
		Male	Female	Others	Nort reported	Total	Male	Female	Others	Nort reported	Total
Number of employees entitled to take family-related leave	no.	461	211	-	-	672	455	205	-	-	660
Number of entitled employees that took family-related leave	no.	30	15	-	-	45	24	13	-	-	37
93. (a) Percentage of employees entitled to take family-related leave	no.	100%	100%	-	-	100%	100%	100%	-	-	100%
93. (b) Percentage of entitled employees that took family-related leave	%	7%	7%	-	-	7%	5%	6%	-	-	6%

30 See the section "Support for Parents and Family"

S1-10

Equity at the heart of the pay system

ERG's primary objective is to pursue and guarantee equal opportunities for economic recognition for all people based on their role, characteristics and professional skills, in accordance with the principle of equal pay for equal work. In this context, the Group seeks to adopt policies and procedures that prevent all forms of discriminatory behaviour.

The Nominations and Remuneration Committee and the Human Capital Committee monitor the remuneration system's consistency and effectiveness through specific performance indicators (KPIs), working alongside the D&I Steering Committee (ESG Committee).

The remuneration policy is therefore focused on the recognition of merit and its implementation is based on three key principles: Equity and Competitiveness, Sustainability and Selectivity.

We Seek Equity
by benchmarking remuneration in the relevant markets, also taking into account input from external stakeholders

We pursue Sustainability, in the sense of the optimal balance between the aspirations of the individual and the financial means of the company, ensuring compliance with the conditions set by collective bargaining between the social partners and the legal provisions on minimum wages

We encourage Selectivity
developing high performers and recognising market conditions for those who perform on average

In compliance with local legislation, ERG applies an integrated pay system to all employees:

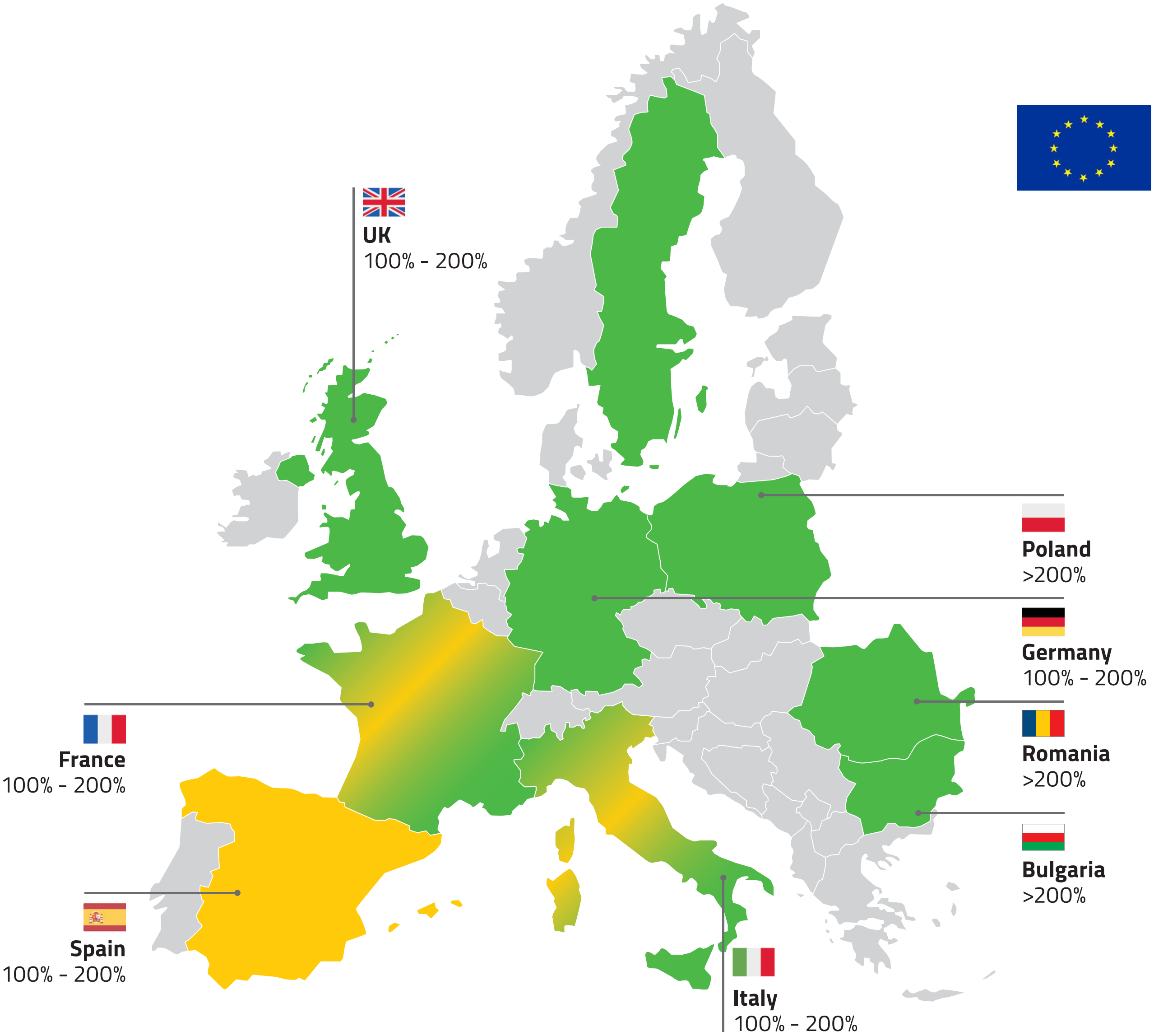
- common in all the countries in which it operates
- consistent with the reference markets in terms of salary progression
- linked to company and individual performance.

The system adopts market benchmarks constituted, for each role, by the median of the sectors to which it belongs, thereby guaranteeing fair remuneration policies that are competitive with respect to the role and professionalism matured and consistent with the principles of diversity and inclusion.

Minimum Wage

ERG ensures that the principle of living wage is respected, committed to guaranteeing all its employees a fair wage that allows an adequate quality of life. The value of collective bargaining with workers' representatives is recognised, when they are present, and national regulations on the topic are respected.

In the countries where ERG operates, the minimum wages provide by the Group are well above what is required by law or by collective agreement. As far as Italy is concerned, the analysis of the minimum wage level by category and gender shows entry-level wages in line with the values established by the National Labour Agreements.



S1-16

Gender Pay Gap

ERG promotes a culture of equal pay, according to the principle that equal work - or work of equal value - must be paid equally. The company periodically monitors the trends of specific indicators, including the gender pay gap, to ensure that it is managed consistently with its Diversity and Inclusion Policy and, if deviations emerge, ensures a timely assessment of the matter.

Gender pay equity is calculated for homogeneous qualifications, as the ratio between the average gross (fixed and total) remuneration[31] of the male gender compared to the average gross (fixed and total) remuneration of the female gender. The figure on total remuneration is calculated as the sum of the gross annual remuneration and the short-term target remuneration for each year. The breakdown by professionalism is calculated for the categories where both genders are represented (therefore Key Managers and Blue-collar workers are excluded, in which only the male gender is present). The total pay ratio instead includes all Group employees.

S1-16 97,98	Fixed Remuneration				Total Remuneration			
	2025		2024		2025		2024	
	M/F (1)	(M-F)/M (1)	M/F (1)	(M-F)/M (1)	M/F (1)	(M-F)/M (1)	M/F (1)	(M-F)/M (1)
Total Pay ratio (Male vs Female) (2)	101%	1%	100%	-	104%	4%	104%	4%
Senior Managers (2)	102%	2%	101%	1%	103%	3%	101%	1%
Middle management (2)	103%	3%	101%	1%	105%	5%	103%	3%
White-collar (2)	105%	5%	103%	3%	106%	6%	104%	4%

	Fixed Remuneration		Total Remuneration	
	2025	2024	2025	2024
Ratio between the total annual remuneration of the highest paid individual and the median total annual remuneration of all employees (excluding the above-mentioned person) (3)	23	23	33	35

(1) M: male ; F: female
(2) Theoretical data
(3) Final value

The 2025 data highlight a substantial alignment between the remuneration of the male population and that of the female population, both in terms of fixed remuneration (1%) and total target remuneration (4%), in line with the Group's objectives. The detailed analysis shows a limited gap between homogeneous categories, also related to the different combination of resource entries and exits.

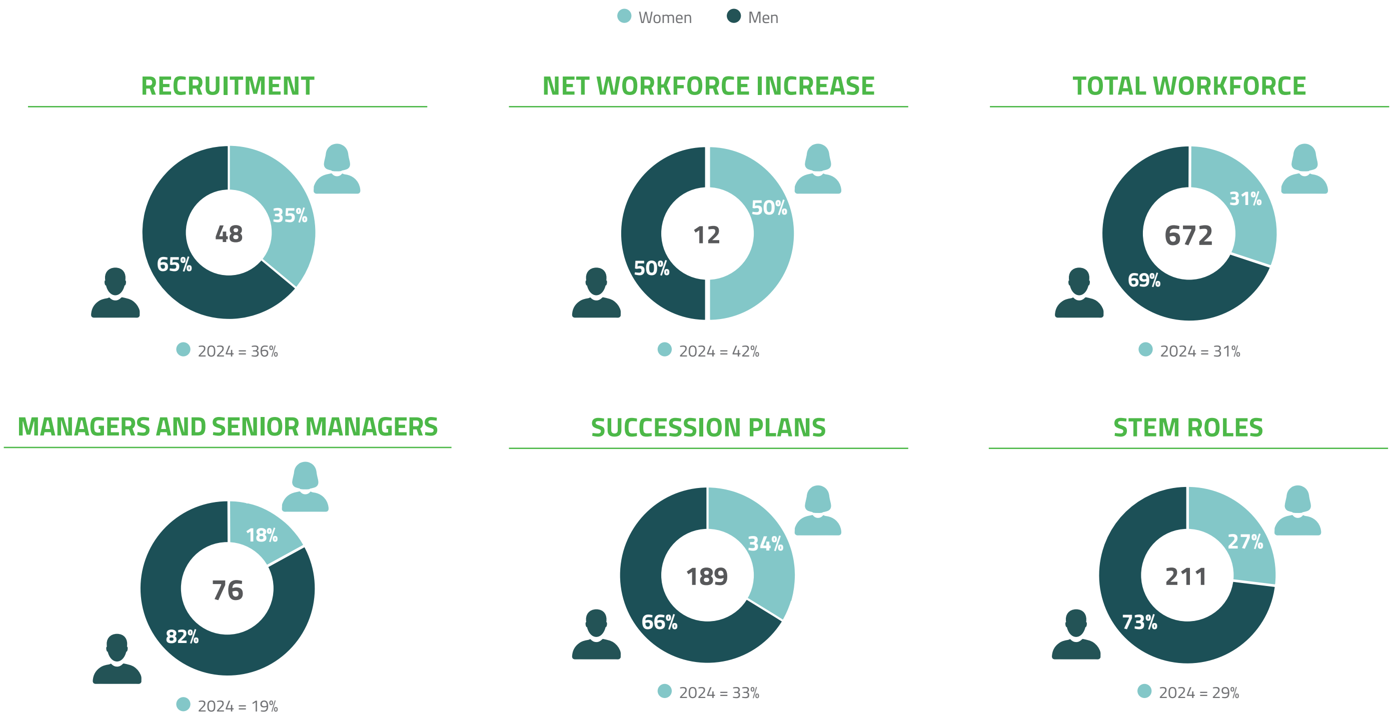
Also considering the CEO, the gender pay gap on fixed remuneration is 5%.
In Italy, where around74% of employees are based, there is a substantial overall balance: no gap with reference to fixed remuneration and 5% with reference to total remuneration.

Actions in place to close the gender pay gap

The development path undertaken in favour of women and gender equity aims to close the gap at every professional level. The gradual increase in the female workforce at the various organisational levels is a natural tool for achieving equal remuneration in the medium term. Specific targets have been defined in the ESG Plan to accelerate this process.
The levers used to bridge the gender gap translate into actions and initiatives that influence all the phases of women's journey in the organisation, from entry into the workforce to development in positions of responsibility, paying attention to balancing the work impact on life in the most relevant moments (becoming parents and/or personal/family care).

ERG acts through processes governed by specific policies, so as to ensure equity in staff selection, annual salary reviews, promotion pathways and succession plans, with the aim of preparing a suitable pool of candidates for managerial appointments in the near future. Fair remuneration is guaranteed for the same job, skills and seniority within all of these processes.

31 The average gross remuneration is calculated based on the parity of hours worked, as per the contracts applied.



S1-13

Human capital management and development

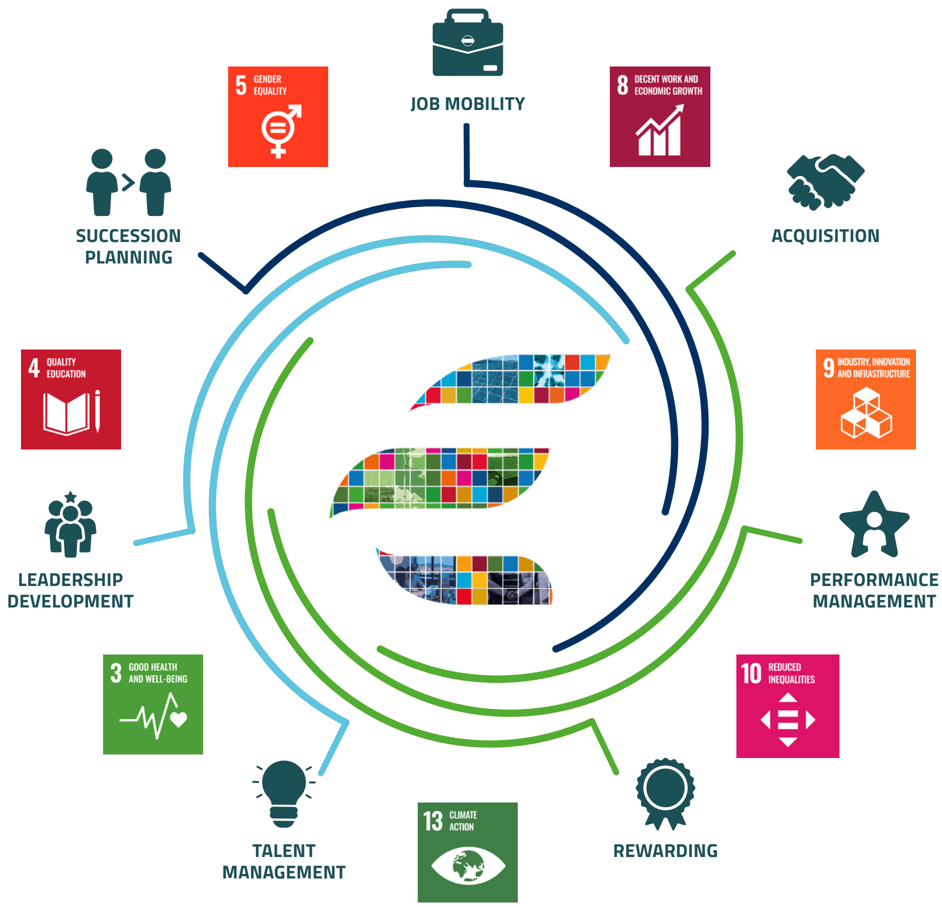
The management and development of human capital are guided by two pillars that support the achievement of company results, both of which are indispensable for maintaining a high level of competitiveness and for sustaining a corporate culture geared towards transparently communicating values and strategy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

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

The combination of human and organisational capital makes it possible to interpret and anticipate market needs by planning actions and defining strategies to manage change.

The Leadership Model allows the Group to relate with people on how to achieve results through values, skills and behaviours that also drive career development.
The processes that guide the development of human capital transform the Leadership Model into individual and collective operational plans. They are managed through a portal to which all persons have access from the day they are hired.

In line with this approach, ERG develops a "holistic vision" of individuals. People Managers are encouraged, through various Talent Management processes, to observe and interact with their staff, considering their performance, skills, development potential, and motivation. Talent is the key to achieving extraordinary results naturally and passionately; this is why paths are offered to recognise it, use it and develop it to grow together with the Group. ERG regards talent as a founding element of diversity and enhances it precisely because it is an individual characteristic.



The search for new talent

The constant search and attraction of new talent has always been a strategic priority for the ERG Group.
ERG seeks people who stand out for their ability to anticipate and overcome the challenges faced the renewable energy sector today and in the future. The Company does so through processes based on the principles of diversity and equal opportunities, which make it possible to fully enhance, without discrimination, the skills and talent of each person.

In recent years, ERG has implemented Employer Branding actions for:

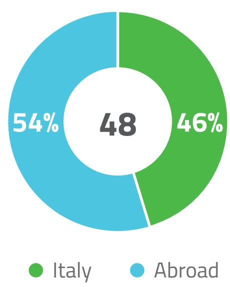
- sharing the identity and culture of the Group
- clearly communicating the Employee Value Proposition
- highlighting culture and international mobility in the professional paths offered.

During 2025, ERG recruited 48 new employees from the labour market: 46% through headhunting activities and 54% through direct applications, networking and targeted meetings with universities and higher education institutions
Of the people hired in 2025, 46% were employed in Italy and 54% in one of the other countries where the Group operates.

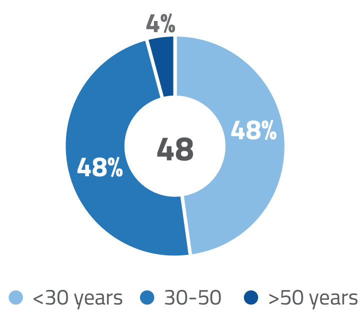
In terms of age, 48% of new recruits are under 30, 48% are between 30 and 50, and the remaining 4% are over 50.

Lastly, women accounted for 50% of net workforce growth, with 35% of hires being female.

HIRES BY GEOGRAPHY



HIRES BY AGE BRACKET



The onboarding process

ERG values people the moment they join the company; for this reason, it developed an onboarding process which starts with the identification of the main difficulties that new hires may face.

Providing the new ERG People with the tools and useful information through ad hoc meetings is essential in facilitating them and involving them in company life, giving them the first opportunities to get to know the company and make themselves known.
In order to enhance people as individuals and not merely as professionals, ERG has also further enhanced the role of company buddy: a person who follows the new ERG people starting the days before their entry and throughout the entire onboarding process.

People development

The assessment of development dedicated to generation Z

ERG considers development plans as strategic investments that make it possible to define professional roadmaps for people, hand in hand with the development of the company business. The Group creates real professional development mappings, taking into consideration both the short-term and long-term prospects.

In response to the progressive increase in the recruitment of people belonging to Generation Z, in 2024 ERG chose to dedicate a development path to support junior talent, called upon to face an increasingly competitive and evolving market. In doing so, the Group intends to generate an innovative, digital and systemic vision of the organisation, consolidating the core skills of the leaders of the future. The project continued in 2025, expanding each year the involvement of new employees.

Individual development plan

The Individual Development Plan was developed in 2024 as support for people's personal and professional development. It is based on the concept of individual responsibility in the path of growth and makes it possible to achieve both short-term and long-term development objectives by working on hard and soft skills in a structured manner.

This strategic tool is available to the entire corporate population, designed to enhance individual potential and accompany the development path, facilitating the strengthening of skills through concrete actions, in line with both personal aspirations and corporate objectives.
Throughout 2025, the Individual Development Plan was extended to the resources of the Maintenance Operations Area, with the aim of supporting the growth of maintenance technicians through a standardised approach that also allows progress to be facilitated and monitored. These IDPs have also been structured to promote a global approach through support activities in the various countries where the Group operates, with the involvement of the "Main Component" cross-border team and collaboration with foreign third-party companies.

In addition, several talent development projects targeting different segments of the population have been initiated. In particular, in the two-year period 2025/2026, the company is focusing on management development, introducing a programme dedicated to Middle Managers, a key population for human capital growth and the future leadership pipeline.
The projects aim to:

- map managerial talent in ERG in terms of potential, identifying strengths and areas for improvement
- offer participants personalised awareness and development tools
- fostering engagement and retention through personal assessment, coaching and professional mentoring experiences to facilitate the expression of inspirational (and not merely technical) leadership.

Number of employees that participated in regular reviews

S1-13	Uom	2025					2024				
		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
Number of employees that participated in regular reviews	no.	389	133	-	-	522	266	139	-	-	405
Number of regular reviews	no.	423	135	-	-	558	266	139	-	-	405
Number of employees	no.	461	211	-	-	672	455	205	-	-	660
Percentage of employees that participated in regular reviews	%	84%	63%	-	-	78%	58%	68%	-	-	61%
Number of regular reviews conducted per employee	no.	0.9	0.6	-	-	0.8	0.6	0.7	-	-	0.6

Training and skills development metrics

S1-13 Optional	Uom	2025 Employees that participated in regular reviews (no.)	2025 Performance reviews (no.)	2025 Employees (no.)	2025 Employees that participated in regular reviews (%)	2025 Regular reviews conducted per employee (n)	2024 Employees that participated in regular reviews (no.)	2024 Performance reviews (no.)	2024 Employees (no.)	2024 Employees that participated in regular reviews (%)	2024 Regular reviews conducted per employee (n)
Executive	no. - %	35	35	35	100%	1.0	35	35	35	100%	1.0
Managers	no. - %	197	204	229	86%	0.9	199	199	222	90%	0.9
Employees	no. - %	153	166	259	59%	0.6	156	156	254	61%	0.6
Workers	no. - %	137	153	149	92%	1.0	15	15	149	10%	0.1
Total	**no. - %**	**522**	**558**	**672**	**78%**	**0.8**	**405**	**405**	**660**	**61%**	**0.6**

Career management and leadership development

Integrated career management is based on the principles of fairness, sustainability and selectivity, through a growth pathway articulated in different professional qualifications: Specialist, Professional, Manager, Senior Manager, Director.
The promotion process is guided and shared by the Human Capital Committee, which by guaranteeing equal development opportunities:

- defines and annually updates the pipelines of the candidates who may be promoted in the following three years
- monitors and directs the path of candidates.

A total of 15 people were appointed in 2025: 3 Managers and 12 Professionals (of which 5 women).

Career and succession plans

Career and succession plans are a fundamental part of the staff development strategy, relating the company needs, business objectives and the individual expectations of people.

Career development is intended as a roadmap that defines the short, medium and long-term growth objectives of employees, with a view to bringing out untapped potential, supporting the company in training the skills of the future, attracting new talents, fostering inclusion, engagement and motivation. ERG works to retain talent, improve the perception of its brand and guarantee professional growth through criteria of meritocracy and transparency and attention to work-life balance.

The career development process is led by the HR department and the Human Capital Committee, but consistent with the principle of self-responsibility, each person is invited to share their professional aspirations via the talent management portal.

Succession plans contribute to building an organisation that is resilient over time and ready to manage the continuous changes in the world of work. Succession planning is a continuous process for evaluating, integrating and updating talent management strategies, pursuing growth and development prospects linked to company objectives and the values of diversity and inclusion. The annual update enables:

- planning, defining and managing career and succession plans in line with people's performance and new expectations
- identifying activities to support the development of sustainable leadership.

The Succession Planning process involves the Human Capital Committee and the Nominations and Remuneration Committee.
In 2025, 99 organisational positions were mapped, and in 99% of cases suitable resources were identified to cover the role: this confirms the Group's soundness in ensuring continuity even in the face of turnover and professional growth.

Upskilling e Reskilling

Again in 2025, the ERG group used the experience of its people to cope with the complex business context and the changes related to a constantly evolving world of work, with the consequent need to adapt to new tools, technologies and methodologies and to acquire new skills.

In this context, upskilling and reskilling processes continue to support the company's transformation and ensure the 'network' collaboration model where all departments collaborate, each with their own responsibilities and skills to achieve the Group's objectives.

Upskilling and reskilling are therefore confirmed as fundamental levers for:

- attracting new talents
- facilitating people in skills growth and in the best possible fulfilment of individual aspirations.

In this sense, upskilling and reskilling processes also have a social purpose.

To encourage the development of these processes, in addition to leveraging technical and managerial training, management continued the incentive path of other key elements:

- learning agility, understood as the desire to learn, to innovate and to seek new horizons
- managerial courage, to seek new professional experiences and responsibilities to develop the ability to manage different risks in different contexts
- the 'generosity' of management in continuing to nurture these processes, enabling the development of talent and giving them the opportunity to undertake different professional experiences within the Group.

People managers play a key role in reskilling processes, collaborating

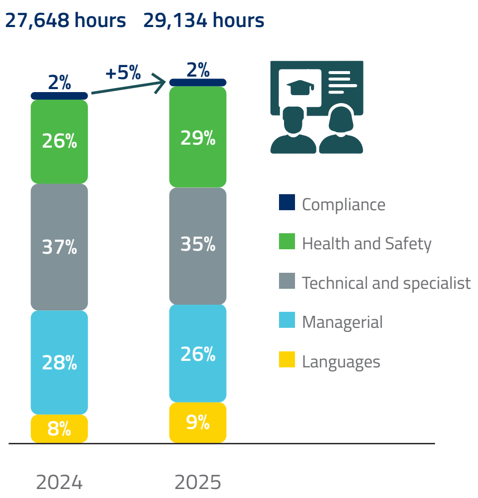
with each other and with HR management in defining the best ways and timing for the transfer of people from one role to another.
In 2025, 21 individual reskilling processes and 10 upskilling processes were generated (of which 70% in the asset development and management areas), and it is expected that these processes will continue to be used in the coming years.

ERG Academy: Training at ERG

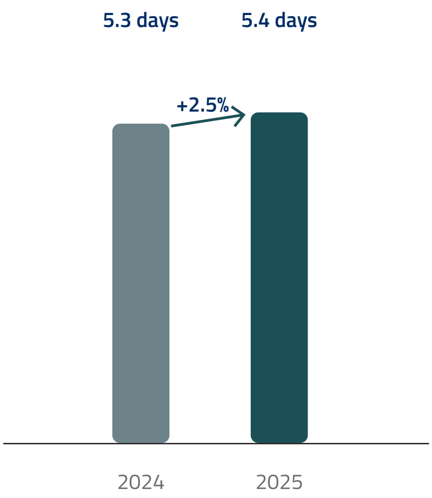
LEARNING ECOSYSTEM

For over 85 years, ERG has continuously invested in its human capital, enhancing people and skills by passing on the knowledge, experience and values that have helped build the Group's identity. Those who join ERG inherit a sound cultural heritage, the fruit of the company's history, and at the same time contribute to its renewal, ensuring the continuity of know-how and the evolution of the organisational culture.
ERG Academy was created in 2023; the learning ecosystem supporting the growth of the Group, the network company and all the people who are part of it. The Academy was created with the aim of spreading ERG's values, developing strategic skills and encourage the sharing of experiences, offering a stimulating, innovative and future-oriented environment.
The hallmark of ERG Academy is its inclusive and proactive approach. In fact, the Academy also has an impact externally, offering training courses dedicated to crucial topics such as the just transition and sustainable development. Training therefore not only supports internal professional growth, but also becomes a benchmark for new generations and for the areas where the Group operates, helping to create shared value and skills for the future[32].

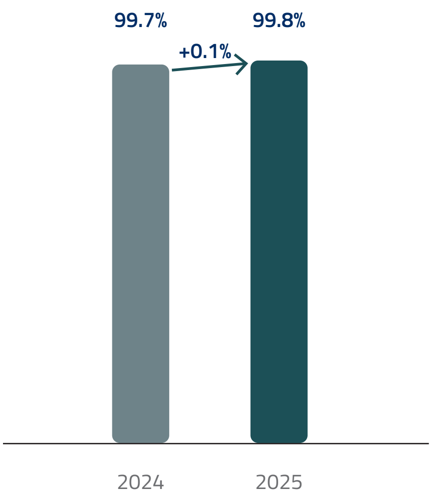
NO. TRAINING HOURS PROVIDED



NO. AVERAGE DAYS OF TRAINING PER EMPLOYEE



% EMPLOYEES PARTICIPATING



32 Please see the section "ERG Academy for the Next Generation".

Managerial training

In 2025, ERG Academy strengthened its commitment to the development of managerial skills, a strategic pillar for building leadership capable of interpreting ERG's central role in energy transition and sustainable innovation.

Managerial training objectives

The training courses offered by ERG Academy focus on both individual growth and on strengthening organisational culture, meeting multiple objectives:

- further the values, skills and behaviours set forth in the ERG Leadership Model, encouraging their adoption in all Group departments
- develop and enhance managerial skills consistent with the new challenges of the energy industry
- create opportunities for discussions among people with different roles, experiences and backgrounds, generating the exchange of ideas and strengthening cross-collaboration
- valuing diversity and inclusion as essential levers for the organisation's well-being, creativity and competitiveness
- support the exploration and definition of each individual's professional purpose, linking it to the corporate purpose and thus helping to strengthen awareness of one's impact in the Group.

Dissemination of the new Leadership Model

In 2025, ERG was highly focused on disseminating the new targeted Leadership Model paths to facilitate understanding of the principles and operational applications. The Model thus becomes a concrete tool to guide daily decisions, relationships and processes.

A truly inclusive approach

Consistent with ERG's values, managerial training adopts an inclusive approach: each and every person, regardless of role, professional seniority, personal background, business area, location or type of schedule, can access dedicated training courses.

The We Grow with ERG platform

The "We Grow with ERG" digital learning system is a key tool to support self-development. Through the platform, all employees can choose the content, mode and pace of learning best suited to their needs, building a customised and flexible training path. The offer includes:

- autonomously usable microlearning
- soft skills modules (communication, collaboration, problem solving)
- leadership & management courses (management development, team management)
- compliance courses (regulations, ethics, safety)
- digital & IT insights (digital tools, emerging technologies)
- content on productivity and professional development (time management, project management)
- finance topics (financial principles, economic analysis, financial management)
- paths dedicated to sustainability & ESG (environment, governance, social responsibility, energy transition).

Training and skills development metrics (employees)

S1-13	Uom	2025					2024				
		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
Number of training hours	h	21,687	7,448	-	-	29,134	20,145	7,503	-	-	27,648
Average hours of training (1)	h	47	36	-	-	44	44	37	-	-	42

(1) Data calculated based on the average number of employees. Total training also includes courses given to personnel who left the company during the year.

Training and skills development metrics (non employees)

S1-13 Optional	Uom	2025	2024
Hours of training	h	195	414
Non-employee workers trained	no.	14	10
Non-employee workers	no.	15	17
Average hours of training	h	13	24

Privacy management

ERG considers the protection of personal data of all its stakeholders, and in particular of the Group's people, of fundamental importance.

The management of personal data protection activities occurs through a dedicated organisational structure (231 Compliance & Privacy) and the identification of a Contact Person for the processing of personal data for each relevant Group company.

The Organisational Privacy Model, updated on 15 October 2024, aims to increase the responsibility of the entire organisational structure to manage and protect personal data more effectively. The Model has been adopted by all Group companies, both in Italy and abroad.

On 31 March 2025, the "Personal Data Breach Management" Procedure was updated, also in the light of the path to compliance with ISO/IEC 27001:2022 (Information security, cybersecurity and privacy protection - Information security management systems).

In accordance with the provisions of the GDPR (the European "General Data Protection Regulation"), as well as the ISO/IEC 27001:2022 standard, the Register of processing activities of the ERG Group companies and the Data Protection Impact Assessment (DPIA) for high-risk processing have also been updated.

During the year, all Group people attended a course on data protection through the e-learning training platform.

No cases of personal data breaches occurred during the year.

S1-14

Protection of health and safety

The protection of health and safety is an absolute priority for the ERG Group and involves all the people who work, in any capacity, in the Group's offices, plants, construction sites and when travelling to operational sites.
The Group promotes continuous dialogue between Senior Management, the HSE&Q (Environment, Health and Safety, Quality) organisational unit, internal staff and workers from third-party companies operating on Group sites. This participatory approach takes the form of risk analysis, gathering reports from the field, and regular meetings to assess events that have occurred and identify corrective or improvement actions.

Safety Culture

The ERG Group promotes a safety culture based on individual and collective responsibility, where each employee is encouraged to actively contribute to the continuous improvement of working conditions.
The "Safety Excellence" project has been developed within the framework of the "Leadership in Safety" programme active since 2019. The former is aimed at improving safety performance and will engage the Group until 2027: thematic working groups have been set up to work on key safety issues to contribute to the construction of shared standards and practices at Group level.

Risk analysis and assessment process

The process makes it possible to:

- identify and assess potential hazards in the workplace, and the risks associated with the activities performed
- apply the necessary protective and preventive measures to ensure the safety of employees, contractors, visitors and persons under the company's supervision. To this end, HSE criteria are also integrated into procurement and contractual requirements
- define improvement plans
- implement monitoring initiatives, taking into account specific indicators.

In addition to analysing internal risks, ERG also assesses what are known as "interfering risks", which arise from activities entrusted to external parties, within the areas over which the Group has control.
In this case, it is a question of coordination in the field, so as to ensure proper accident prevention.

Education and Training

In addition to providing clear information and practical instructions, the Group develops specific training programmes for various company roles, with the aim of raising awareness and promoting safe behaviour in the workplace. It also devotes a great deal of attention to training operational staff, with experienced teachers.

Management of Anomalous Events and Remedial Actions

The analysis of abnormal events, which is a key element of the company's approach to health and safety, does not only concern accidents with consequences for people or property, but also "misses", i.e., events that did not give rise to consequences merely by chance.
After a careful assessment of the causes, remedial actions are identified and implemented not only in the specific context in which the event occurred, but also in all similar contexts, thus preventing the repetition of similar situations or the possible evolution into more serious accidents.

Accidents are classified according to criteria shared at Group level. For each accident, a working group is established that is responsible for analysing the root causes. Less serious events are analysed at Operating Unit level, while for the most significant cases, the COO is directly involved in identifying the assessment team.
Once the remedial actions have been identified, they are assigned to the competent managers and constantly monitored until completion, thanks to a platform used worldwide that guarantees the tracking and effectiveness of the measures adopted.

Emergency Management

ERG has developed and tested comprehensive emergency response plans to ensure readiness to act effectively in any critical situation.
The key elements of this process include:

- Evacuation procedures;
- Training and simulations, involving external bodies (e.g., fire brigade) when possible;
- Emergency communications;
- Coordination with public rescue/emergency services;
- Continuous improvement.

Contractor Management

ERG has implemented procedures to ensure high safety standards, even when activities are carried out by external contractors operating at Group sites. These procedures concern:

- HSE qualification of contractors
- Site access authorisation
- Management of field activities
- Monitoring and control of contractors' HSE performance.

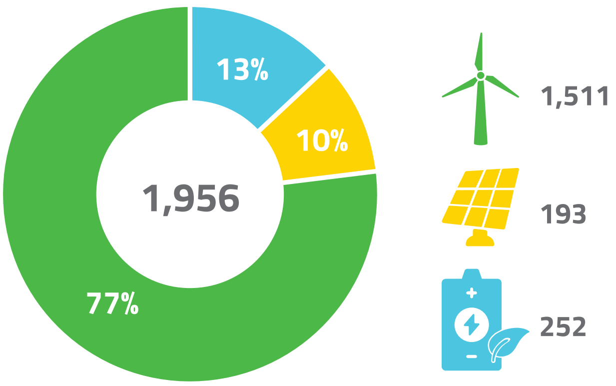
Digitisation of HSE Processes

The digitisation of HSE (health, safety and environment) processes has brought greater traceability, management speed and operational uniformity. The core activities - training, protective equipment, health surveillance, audits and incident management - are now managed through digital solutions accessible from the web and mobile devices. This allows easier monitoring, earlier detection of non-compliance and more effective control of corrective actions.
Tools have also been introduced to increase the safety of operational personnel: they allow manual or automatic alarms to be sent in the event of an emergency or prolonged absence of a signal, reducing rescue times.

Operational Controls and HSEQ Audits

Compliance with health, safety and environmental regulations is a fundamental requirement for all personnel and third-party companies working with ERG.
HSE&Q units, together with supervisors and safety coordinators, carry out regular field checks to verify compliance with regulations and procedures. In addition to these, there are periodic checks required by the management systems, which monitor both work environments and operational processes. In addition, collaboration with contractors is continuous and prevention-oriented.

1,956 HSE&Q checks were carried out in 2025.



The audit activities instead include both internal audits conducted by dedicated ERG Group personnel, and external audits carried out by management system certification bodies.

HSE Performance Indicators and ESG Objectives

HSE performance monitoring is supported by a detailed reporting system that makes use of a digital platform. It includes:

- Monthly reports addressed to both Operational Management and the Business Results Management Committee
- Quarterly reports to the Board of Directors (BoD). In any case, a summary report of the HSE performance is provided at each meeting of the BoD.

The reporting includes the analysis of performance indices, the progress of remedial actions and an overall assessment of the events in the reference period.

The safety of internal workers and contractors is at the heart of the ESG Plan, which includes specific KPIs to measure and improve performance: These KPIs are:

- The LTIF frequency rate[33]: number of accidents multiplied by one million divided by the number of total hours worked
- The LTIF Sev frequency rate[34]: number of accidents with absence of more than 30 days multiplied by one million over the number of hours worked
- Number of fatal injuries

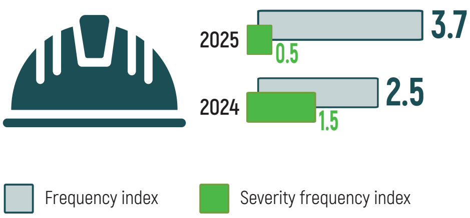
These indicators are integrated into the short and long-term incentive plans[35], reinforcing the shared commitment to the continuous improvement of health and safety.

Trend of HSE Indicators for 2025

Compared to the previous year, there was an increase in the Injury Frequency Rate (LTIFR) in 2025 (3.73 compared to 2.49 in 2024) and a clear decrease in the Severe Injury Frequency Rate (LTIFR Sev) (0.53 compared to 1.50 in 2024). The combined analysis of the two indicators shows that more injuries occurred in 2025 than in 2024, but with less serious consequences for the injured persons overall. As regards the fatal accident that occurred in 2024 at the Salemi repowering site, investigations by the competent authorities are still ongoing and, consequently, the dynamics of the event have not yet been fully clarified. In this regard, it should be noted that, at present, ERG, companies of the ERG Group and/or their managers are not in any way involved.

33 Lost Time Injury Frequency Rate.
34 Lost Time Severe Injury Frequency Rate.
35 Please refer to the details of the targets defined in the MBO and LTI objectives in the section "Sustainability Performance in Incentive Systems".

ACCIDENT INDICES (INTERNAL AND EXTERNAL)



	2025
NEAR MISSES	55

Future Objectives and Targets

In the long term, ERG confirms its commitment to a safe working environment, maintaining the goal of zero fatal injuries throughout the plan period.
The evolution of the indices is set against a backdrop of significant growth in the Group's activities, as evidenced by the increase in the number of construction sites managed and the higher installed capacity. ERG confirms its constant commitment to raising safety standards, aware that the path to excellence requires continuous attention and daily work.

Health and safety metrics - Internal

S1-14	Uom	2024			2023		
		Employees	Nonemployee workers	Total	Employees	Nonemployee workers	Total
88. (a) Percentage of people in its own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	%	100%	100%	100%	100%	100%	100%
88. (b) Number of fatalities as a result of work-related injuries and work-related ill health	no.	-	-	-	-	-	-
88. (c) Number of recordable work-related accidents	no.	4	-	4	-	-	-
Hours worked (1)	h	1,120,090	-	1,120,090	1,068,916	-	1,068,916
88. (c) Rate of recordable work-related accidents	no.	3.57	-	3.57	-	-	-
AR 94. Optional - The disclosure may include cases of work-related ill health that were detected during the reporting period among people who were formerly in the undertaking's workforce	no.	-	-	-	-	-	-
88. (d) Disclose the number of cases of recordable workrelated ill health, subject to legal restrictions on the collection of data	no.	-	-	-	-	-	-
88. (e) Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	no.	114	-	114	-	-	-
90. Optional - Percentage of its own workers covered by a health and safety management system which is based on legal requirements and/or recognised standards or guidelines and which has been internally audited and/or audited or certified by an external party	%			96%			97%

(1) For non-employee workers, the recognition of hours worked is not envisaged, in line with the contractual nature of this type of collaboration.

Group HSE Management Systems

HSE (Health, Safety, Environment) management systems are an integrated organisational model which turn regulatory obligations into a strategic advantage, aligning the protection of people and the environment with business objectives.

Company processes are developed and improved according to the HSE Policy, which is based on the general principles described in the Code of Ethics, the Sustainability Policy, the Human Rights Policy and the Groups' HSE Guidelines.

The ERG Group Management Systems comply with recognised international standards:
- ISO 14001:2015 for environmental management
- ISO 45001:2018 for occupational health and safety and also complement ISO 9001:2015 for quality in some countries.

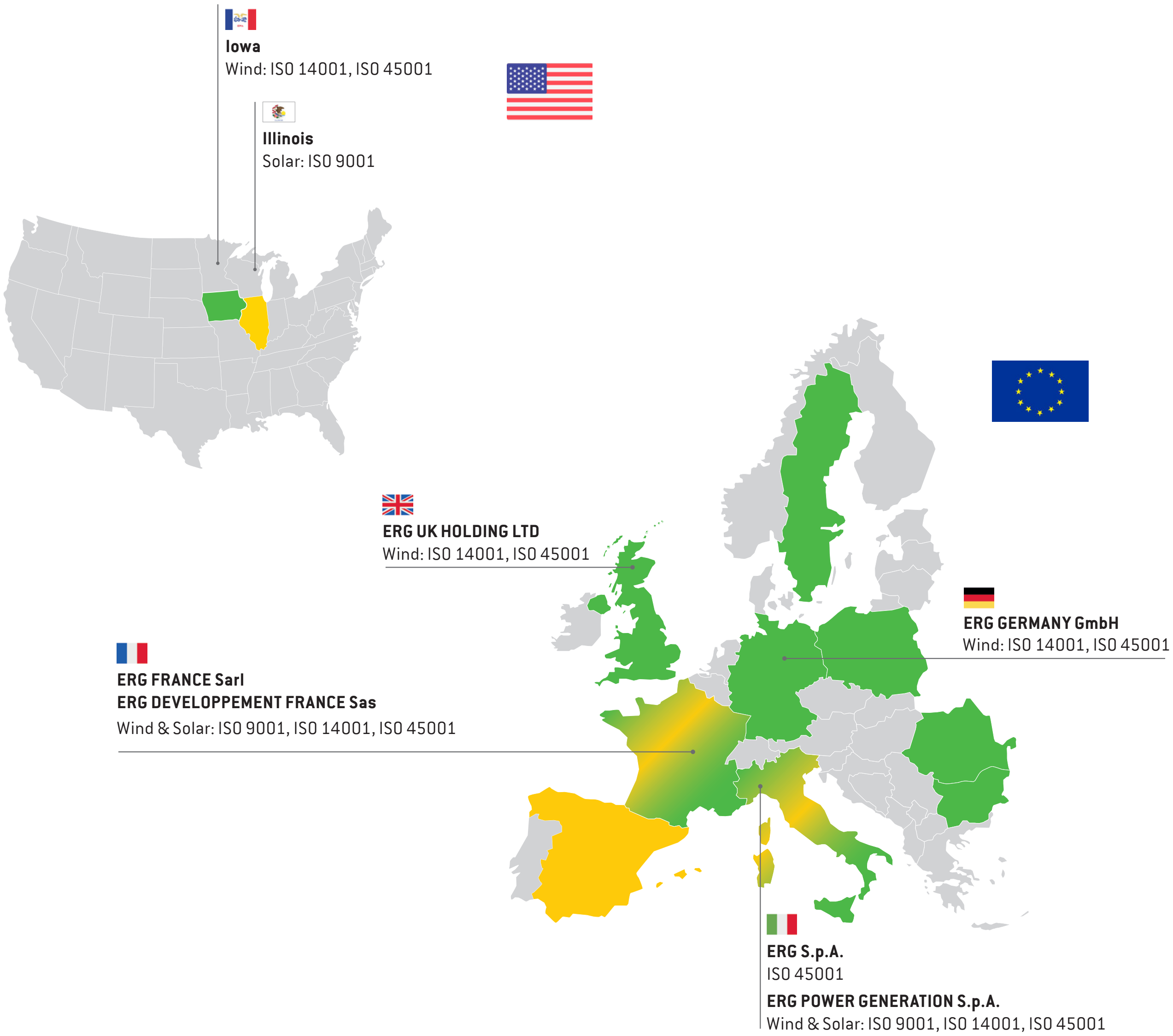
The HSE Management Systems' implementation and continuous improvement are coordinated by the HSE&Q department, which regularly verifies their effectiveness through internal audits, audits conducted by external certification bodies and by monitoring specific performance indicators.

At the end of 2025, the coverage of HSE certifications on Group assets is as follows:
- health and safety certification (ISO 45001): 77% of installed capacity and 96% of the Group's people. The coverage reaches 100% in countries where it is strategically necessary or where maintenance is internalised, for both the total installed capacity and for the personnel involved.
- environmental certification (ISO 14001): 77% of installed capacity.
- quality certification (ISO 9001): 60% of installed capacity.

At the remaining sites, compliance with local regulations and Group HSE guidelines is ensured through local HSE&Q units under the functional coordination of the central HSE&Q unit.

This organisation confirms a continuous commitment to consolidating and improving an integrated HSE system aligned with operational needs, the highest international standards and corporate strategic objectives.

HSE&Q



Other company-specific information

S1-6 S1-9

Characteristics of the undertaking's employees and diversity metrics

Personnel, work organisation and industrial relations

	Uom	2025	2024
Employees at 31/12	no.	672	660
Average workforce	no.	669	651
Average seniority (years)	no.	10.2	9.7
Average employee age (years)	no.	42.4	41.9
Percentage of part-time	%	3.6%	4.2%
Percentage of overtime	%	3.1%	3.6%
Labour disputes arising during the year	no.	2	1
Ongoing labour disputes	no.	3	1
Strike (1)	h	138	44
Turnover rate (inbound staff + outbound staff)/headcount (annual average)	%	12.6%	17.5%
Inbound turnover rate (annual average)	%	7.2%	10.6%
Outbound turnover rate (annual average)	%	5.4%	6.9%
Turnover rate (inbound staff + outbound staff)/headcount (at year-end)	%	12.5%	17.3%
Inbound turnover rate (at year-end)	%	7.1%	10.5%
Outbound turnover rate (at year-end)	%	5.4%	6.8%

(1) Nationwide strike hours

New hires and employee turnover - age group

	Uom	2025				2024			
		Inbound	Outbound	Inbound turnover rate (1)	Outbound turnover rate (1)	Inbound	Outbound	Inbound turnover rate (1)	Outbound turnover rate (1)
<30 years old	no. - %	23	11	27.7%	13.3%	31	10	34.4%	11.1%
30-50 years old	no. - %	23	21	5.4%	4.9%	37	31	8.8%	7.3%
>50 years old	no. - %	2	4	1.2%	2.5%	1	4	0.7%	2.7%
Total	**no. - %**	**48**	**36**	**7.1%**	**5.4%**	**69**	**45**	**10.5%**	**6.8%**

(1) At year-end by category

New hires and employee turnover - qualification

	Uom	2025				2024			
		Inbound	Outbound	Inbound turnover rate (1)	Outbound turnover rate (1)	Inbound	Outbound	Inbound turnover rate (1)	Outbound turnover rate (1)
Senior Managers	no. - %	1	1	2.9%	2.9%	-	-	-	-
Middle management - Managers	no. - %	-	-	-	-	-	3	-	7.9%
Middle management - Professional	no. - %	8	12	4.3%	6.4%	14	9	7.6%	4.9%
White-collar workers	no. - %	29	16	11.2%	6.2%	37	24	14.6%	9.4%
Blue-collar workers	no. - %	10	7	6.7%	4.7%	18	9	12.1%	6.0%
Total	**no. - %**	**48**	**36**	**7.1%**	**5.4%**	**69**	**45**	**10.5%**	**6.8%**

(1) At year-end by category

New hires and employee turnover - country

	Uom	2025				2024			
		Inbound	Outbound	Inbound turnover rate (1)	Outbound turnover rate (1)	Inbound	Outbound	Inbound turnover rate (1)	Outbound turnover rate (1)
Italy	no. - %	22	15	4.4%	3.0%	32	15	6.5%	3.1%
France	no. - %	12	15	12.8%	16.0%	21	14	21.4%	14.3%
Germany	no. - %	9	4	20.9%	9.3%	10	12	26.3%	31.6%
United Kingdom	no. - %	2	1	12.5%	6.3%	4	3	26.7%	20.0%
Bulgaria	no. - %	-	-	-	-	-	-	-	-
Poland	no. - %	2	1	40.0%	20.0%	-	-	-	-
Romania	no. - %	-	-	-	-	1	1	25.0%	25.0%
Sweden	no. - %	-	-	-	-	-	-	-	-
Spain	no. - %	1	-	9.1%	-	1	-	10.0%	-
USA	no. - %	-	-	-	-	-	-	-	-
Total	**no. - %**	**48**	**36**	**7.1%**	**5.4%**	**69**	**45**	**10.5%**	**6.8%**

(1) At year-end by category

New hires and employee turnover - gender

	Uom	2025					2024				
		Inbound	Outbound	Net increase	Inbound turnover rate (1)	Outbound turnover rate (1)	Inbound	Outbound	Net increase	Inbound turnover rate (1)	Outbound turnover rate (1)
Male	no. - %	31	25	6	6.7%	5.4%	44	30	14	9.7%	6.6%
Female	no. - %	17	11	6	8.1%	5.2%	25	15	10	12.2%	7.3%
Others	no. - %	-	-	-	-	-	-	-	-	-	-
Not reported	no. - %	-	-	-	-	-	-	-	-	-	-
Total	**no. - %**	**48**	**36**	**12**	**7.1%**	**5.4%**	**69**	**45**	**24**	**10.5%**	**6.8%**

(1) At year-end by category

Outbound by mode

	Uom	2025	2024
Resignation	no.	22	37
End of temporary contract	no.	1	-
Agreed resolution	no.	8	6
Failure to pass the probationary period	no.	3	2
Dismissal	no.	2	-
Death	no.	-	-
Company divestiture	no.	-	-
Total Voluntary	no.	22	37
Total Involuntary	no.	14	8
Total Outbound	**no.**	**36**	**45**
Voluntary turnover rate (1)	%	3.3%	5.6%
Involuntary turnover rate outgoing (1)	%	2.1%	1.2%
Total turnover rate (1)	%	5.4%	6.8%

(1) At year-end

Diversity metrics (contract type/age group)

	Uom	2025				2024			
		<30 years old	30-50 years old	>50 years old	Total	<30 years old	30-50 years old	>50 years old	Total
Senior Managers	no.	-	16	19	35	-	19	16	35
Middle management	no.	6	162	61	229	8	159	55	222
White-collar workers	no.	47	159	53	259	54	153	47	254
Blue-collar workers	no.	30	89	30	149	28	91	30	149
Total	**no.**	**83**	**426**	**163**	**672**	**90**	**422**	**148**	**660**

Diversity metrics (contract type/gender)

	Uom	2025					2024				
		Male	Female	Others	Not reported	Total	Male	Female	Others	Not reported	Total
Senior Managers	no.	30	5	-	-	35	30	5	-	-	35
Middle management - Managers	no.	32	9	-	-	41	29	9	-	-	38
Middle management - Professionals	no.	116	72	-	-	188	117	67	-	-	184
Middle management	no.	148	81	-	-	229	146	76	-	-	222
White-collar workers	no.	134	125	-	-	259	130	124	-	-	254
Blue-collar workers	no.	149	-	-	-	149	149	-	-	-	149
Total	**no.**	**461**	**211**	**-**	**-**	**672**	**455**	**205**	**-**	**-**	**660**

Diversity metrics (female in workforce)

	Uom	2025	2024
Percentage of Female in Work-force (excluding Blue-collar)	%	40%	40%
Percentage of Female in Succession Plans with at least one woman	%	68%	64%
Percentage of Female Promoted during the year	%	33%	31%
Percentage of Female in IT/engineering roles	%	26%	28%
Percentage of Female in managerial positions operating areas	%	28%	30%

Employees by citizenship

	Uom	2025				2024			
		Employees	% of the total work-force	N management level	% of the total work-force management	Employees	% of the total work-force	N management level	% of the total work-force management
Italy	no. - %	502	75%	201	76%	496	75%	197	77%
France	no. - %	70	10%	39	15%	74	11%	39	15%
Germany	no. - %	32	5%	6	2%	27	4%	5	2%
United Kingdom	no. - %	8	1%	2	1%	8	1%	1	0%
Morocco	no. - %	11	2%	2	1%	11	2%	2	1%
Spain	no. - %	10	1%	1	0%	8	1%	1	0%
Romania	no. - %	4	1%	2	1%	4	1%	2	1%
Other	no. - %	35	5%	11	4%	32	5%	10	4%
Total	**no. - %**	**672**	**100%**	**264**	**100%**	**660**	**100%**	**257**	**100%**

S1-10

Adequate wages

Difference between ERG Italy average salary vs applicable National Collective Labour Agreements

	Uom	2025		2024		Δ	
		Male	Female	Male	Female	Male	Female
Key Managers	%	265%	0%	265%	0%	0%	0%
Senior Managers	%	145%	143%	144%	143%	1%	0%
Middle management	%	121%	119%	121%	121%	0%	(2%)
White-collar workers	%	112%	112%	113%	113%	(1%)	(1%)
Blue-collar workers	%	109%	0%	109%	0%	0%	0%

Difference between ERG Italy minimum salary vs applicable National Collective Labour Agreements

	Uom	2025		2024		Δ	
		Male	Female	Male	Female	Male	Female
Key Managers	%	238%	0%	238%	0%	0%	0%
Senior Managers	%	119%	125%	119%	125%	0%	0%
Middle management	%	100%	100%	100%	100%	0%	0%
White-collar workers	%	105%	106%	100%	110%	5%	(4%)
Blue-collar workers	%	100%	0%	100%	0%	0%	0%

S1-11

Social protection

Defined benefit plan obligations and other retirement plans

	Uom	2025	2024
Contractual pension funds	no.	388	376
Other funds	no.	15	17
Non-registered	no.	269	267
Overall total	**no.**	**672**	**660**

S1-13

Training and skills development metrics

Average training hours(1) per year per employee

	Uom	2025						2024					
		Hours Male	Average hours Male	Hours Female	Average hours Female	Total Hours	Total average hours	Hours Male	Average hours Male	Hours Female	Average hours Female	Total Hours	Total average hours
Senior Managers	h	845	28	198	40	1,043	29	875	30	207	41	1,081	32
Middle management	h	4,043	27	2,902	37	6,945	31	5,259	37	2,715	38	7,974	38
White-collar workers	h	5,467	40	4,348	35	9,815	38	5,406	40	4,582	37	9,988	39
Blue-collar workers	h	11,332	77	-	-	11,332	77	8,606	59	-	-	8,606	59
Total	**h**	**21,687**	**47**	**7,448**	**36**	**29,134**	**44**	**20,145**	**45**	**7,503**	**38**	**27,648**	**43**

(1) Total training includes courses provided to staff who left the company during the year.

Training - types of courses

	Uom	2025		2024	
		Hours	Percentage	Hours	Percentage
Health and safety training	h - %	8,396	29%	7,081	26%
Employee language training	h - %	2,498	9%	2,140	8%
Technical specialised employee training	h - %	10,094	35%	10,126	37%
Managerial training	h - %	7,508	26%	7,849	28%
Compliance training (1)	h - %	638	2%	452	2%
Overall total	**h - %**	**29,134**	**100%**	**27,648**	**100%**

(1) Including Code of Ethics and Anti-Corruption, Italian Legislative Decree no. 231/2001, Whistleblowing, Privacy

Training - age group

	Uom	2025	2024
<30 years old	h	5,291	6,061
30-50 years old	h	18,133	17,041
> 50 years old	h	5,710	4,546
Total	**h**	**29,134**	**27,648**

Average training per employee

	Uom	2025	2024
Training cost	€M	1.09	1.15
Average training cost	€K/emp	1.63	1.76

Open positions held by internal candidates

	Uom	2025	2024
Open positions held by internal candidates	%	17%	19%

Average hiring cost per employee

	Uom	2025	2024
Average hiring cost	€K/emp	4.8	5.0

S1-14

Health and safety metrics

Internal injuries in the workplace

	Uom	2025	2024
Working days lost	no.	114	-
Number of injuries	no.	4	-
Number of severe injuries	no.	1	-
Hours worked	h	1,120,090	1,068,916
Severity index (1)	no.	0.10	-
Frequency index (IF or LTIFR) (2)	no.	3.57	-
Severe frequency index (IF sev or LTIFR sev) (3)	no.	0.89	-
Fatality	no.	-	-
Near miss	no.	26	15

(1) Severity index calculated as (no. of days lost x 1,000)/no. hours worked;
(2) Frequency index calculated as (no. of injuries x 1,000,000)/no. hours worked;
(3) Severe frequency index calculated as (no. of severe injuries x 1,000,000)/no. hours worked.

Cases of occupational disease

	Uom	2025	2024
Cases of occupational disease	no.	-	-
Occupational disease rate	%	-	-
Work-related deaths	no.	-	-

The safety indicators do not count "non-employees"

Absenteeism rate

	Uom	2025	2024
Absenteeism rate [1]	%	2.0%	1.4%

(1) The absenteeism rate refers only to Italian employees (n days of absence/working days)

S1-16

Remuneration metrics (pay gap and total remuneration)

Gender pay gap male to female

	Uom	2025		2024	
		M/F[1]	(M-F)/M [1]	M/F[1]	(M-F)/M [1]
Gender pay gap overall (average)	%	101%	1%	100%	0%
Gender pay gap overall (median)	%	93%	(7%)	92%	(8%)
Bonus Gap (average)	%	150%	50%	133%	33%
Bonus Gap (median)	%	100%	0%	100%	0%

(1) M: male; F: female

ESRS S2

WORKERS IN THE VALUE CHAIN

S2-1 S2-2 S2-3 S2-4 S2-5

Strategies, policies, actions and targets related to workers in the value chain

Respect for human rights and the protection of occupational safety are fundamental principles for ERG, which it guarantees throughout the value chain.

Worker safety, which is also fundamental within the ESG plan, is monitored through specific targets linked to injury frequency indicator, both for internal personnel and employees of third-party companies. Progressively more challenging, these targets are also integrated into the incentive systems.

ERG takes a holistic approach to human rights, which involves the entire supplier management process. In fact, the Sustainable Procurement programme [36] includes assessment activities and an audit plan aimed at verifying compliance with the expected requirements. In terms of Corporate Governance, the Group has defined a set of Policies and tools for monitoring respect for human rights that are inspired by international best practices, applied to the counterparties with which ERG comes into contact. The counterparties are required to comply with the Group Policies[37], an essential aspect for ensuring adequate working conditions throughout the supply chain.

If non-compliance emerges, ERG may request the definition and implementation of corrective measures, assisting the counterparty in identifying the necessary actions. If the corrective measures are not implemented, or are seriously or systematically breached, the ERG Group reserves the right to terminate the contract early and exclude the supplier from the Vendor List.

Lastly, all counterparties can use the Whistleblowing channel on the company website, through which they can report any violations or non-compliant misconduct.

Other company-specific information

At Group level, ERG has structured monitoring systems of the injury frequency indices for both internal employees and external workers (i.e., those in the value chain) who work at its plants[38].

The following table shows the summary of work-related injuries of employees of external companies.

Work-related injuries of employees of external companies

	u.m.	2025	2024
Working days lost	no.	60	283
Number of injuries	no.	3	5
Number of severe injuries	no.	-	3
Hours worked	no.	756,841	937,473
Severity index (1)	no.	0.08	0.30
Frequency Index (FI or LTIFR) (2)	no.	3.96	5.33
Severe Frequency Index (FI sev or LTIFR sev) (3)	no.	-	3.20
Fatalities	no.	-	-
Near misses	no.	29	28

(1) Severity index calculated as (no. of days lost x 1,000)/no. hours worked;
(2) Frequency index calculated as (no. of injuries x 1,000,000)/no. hours worked;
(3) Severe frequency index calculated as (no. of severe injuries x 1,000,000)/no. hours worked;

36 See the section "Sustainable Procurement".
37 See the section "Sustainability Policies".
38 For the results obtained in relation to HSE, please see section S1-14 Protection of health and safety.

"The challenge goes beyond the development of new renewable energy capacity. It also effectively integrates it into the electricity systems and local areas where we operate. By leveraging our industrial expertise and our capacity for constructive institutional dialogue, we contribute to the development of regulatory frameworks and tools that can make the energy transition manageable, stable, and attractive for investments, while generating shared value for local communities by fostering economic opportunities, supporting local development, and ensuring a responsible and enduring industrial presence at the same time."

Luca Bragoli
Chief Regulatory & Public Affairs Officer

ESRS S3

AFFECTED COMMUNITIES

S3-1 S3-3 S3-4 S3-5

Policies, actions, targets and management of impacts relating to the affected communities

To support the achievement of the ESG Plan objectives, guidelines have been defined for engagement initiatives in the territories where the Group operates, in particular for the management of expenses incurred for environmental, social, promotional and educational purposes.
To be authorised, the initiatives must be included in one of the four areas indicated in the graph below.

The guidelines explicitly prohibit the use of funds for political and religious purposes, for any purpose contrary to the interests of local communities or contrary to the interests of ERG, or for the benefit of private companies (unless a broader public interest can be demonstrated).

"Local Communities" is intended as cultural, religious and research associations, healthcare service, NGOs, committees of citizens, residents close to production plants, and students.
The engagement includes:

- meetings with local communities in line with the Group's business
- educational projects on renewable energy, energy transition and career guidance.

In the ESG Plan, the specific objectives for the economic and social development of local communities therefore include:

- the creation of value at Group level, both in the territories in which ERG operates, and in developing areas
- training future generations (Next Generation), through ERG Academy.

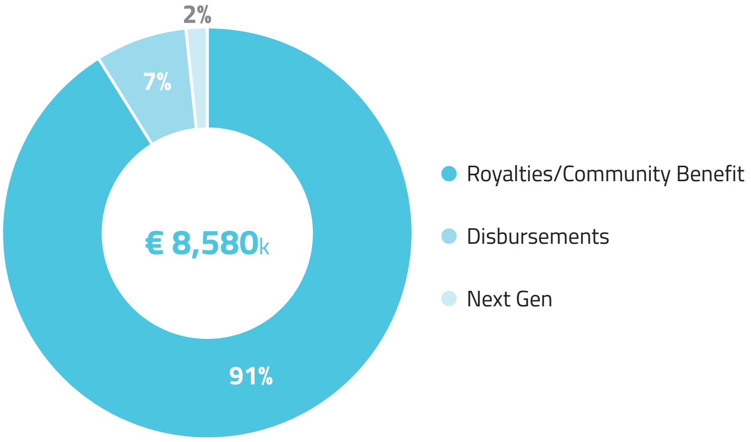
Strengthening engagement with local communities

ERG's business activities have a strong positive impact both on the economy of the places where the Group invests and on combating climate change, while also contributing to reducing energy dependency.

During the construction of plants, ERG pays the utmost attention to the use of local resources, both through the use of construction staff and in the purchase of materials, in order to stimulate the local economy and employment. ERG's presence means much more than simply installing and managing renewable power generation plants: it implies establishing transparent relations with the local community, identifying and supporting specific initiatives for the area, improving its social and economic well-being.

Initiatives for local communities are aimed at managing social impacts and project acceptance.
It is not merely about issuing disbursements to entities and associations that propose initiatives of interest but also working with the most representative institutions and organisations to share the value of initiatives with the entire community.

COMMUNITY SHARE AS A PERCENTAGE OF REVENUE 1.1%



Social Purpose for Solar Revamping

Activities continued on the "Social Purpose for Solar Revamping" projects in 2025, including ERG's donation of photovoltaic panels for three projects developed in cooperation with non-profit organisations.

The aim is to activate a virtuous path for the decommissioned photovoltaic panels that are still in an excellent state of efficiency, reusing them in projects with a high social impact in Italy and abroad.

Parallelo Lab – Varese

10 kWp on-grid PV plant

All components are on site. The installation was completed on **February 2026.**

Convitto Ecclesiastico – Genova

10 kWp on-grid PV plant

The equipment was delivered on 19 February 2026.
The installation started on February 24 2026 and is expected to be completed by mid-March 2026.

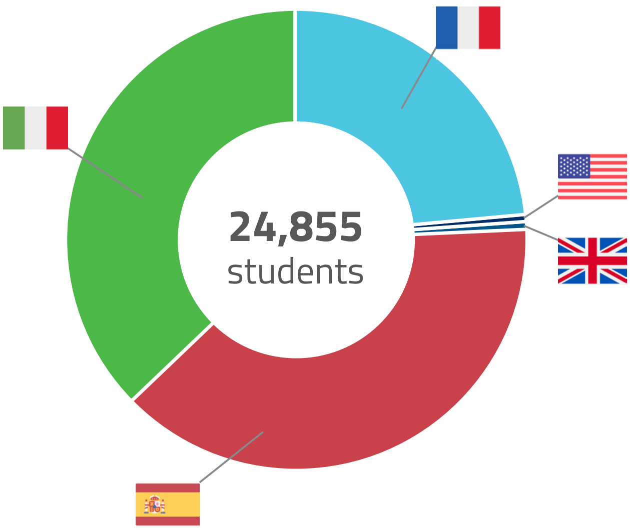
Greenpeace – Kindergarten Ukraine

20 kWp solar plant + 11 kWh energy storage

he equipment was delivered on 17 November 2025, thanks to MSC Foundation. Due to exceptional winter weather conditions (severe storms), **installation is expected by the end of March 2026.**

ERG Academy fot the Next Generation

ERG Academy was established in 2023 and is for both ERG employees and students. The training activities for "future generations" have the aim of disseminating knowledge, skills and experience in the field of renewable energy, energy transition, climate change and sustainability.[39]
In addition, career guidance initiatives are proposed to make people aware of the opportunities offered by green jobs.



ERG continued its educational initiatives in Italy in 2025:

- in collaboration with Ancitel and ELIS, lower and upper secondary schools were involved in topics such as renewable energy, sustainability and "green jobs", encouraging dialogue among students from different schools and bringing direct testimonials from ERG's people.
- The Role Model programme was enhanced, in which female science graduates share their educational and professional backgrounds, inspiring new generations to pursue STEM studies and overcome prejudices against women in technical careers. ERG also joined the "La Nuova@Scuola" programme promoted by the daily newspaper La Nuova Sardegna, which invites secondary school classes to write articles about meetings with the organisations participating in the initiative. ERG was involved through a debate on the energy transition (using recognised debate methodology).

Other initiatives for future generations were implemented during the year:

- At the Genoa Science Festival, ERG presented two workshops on the topic of innovation and sustainability: one on wind energy, developed with the Polytechnic Institute of Milan, the other on energy transition through a debate.
- ERG also promoted the conference "Ten Years after Paris: A Failed Agreement", with talks by experts from the worlds of science and ethics.
- Lastly, support for three high-profile master's programmes deserves mention: two dedicated to the energy sector (SAFE and University of Genoa) and one, the Genoa Entrepreneurship School, which trains future leaders and sustainable innovation entrepreneurs in the USA and Italy.

Outside Italy, the main programmes (in terms of number of students reached) are implemented through partnerships with organisations that share ERG's mission:

- In France, the multi-year collaboration with Terre Avenire, which promotes scientific culture and raises student awareness of environmental and energy issues, has extended its scope to primary schools.
- In Northern Ireland, a programme for primary schools was initiated.
- In Spain, the partnership with the Yehudi Menuin Foundation was consolidated, which involves boys and girls in activities related to environmental and social sustainability, with a focus on inclusion.

39 Please see the section "ERG Academy: training at ERG".

SBM-2

Stakeholder engagement

Through relations with external and internal stakeholders, the ERG Group seeks to make a concrete contribution to the development of solutions to mitigate climate change by raising awareness and creating shared and sustainable value.
The principles of legality, honesty, fairness, equality, confidentiality, equity, integrity, transparency and responsibility represented in the Code of Ethics guide relationships with institutions, local communities, authorities, suppliers, shareholders, the Group's people and the next generation. Stakeholder expectations are taken into account in the corporate strategy, confirming ERG's commitment in the ESG area.
To correctly manage the various requests, ERG has adopted a Policy for dialogue with stakeholders and has set up a dedicated whistleblowing channel for any reports.

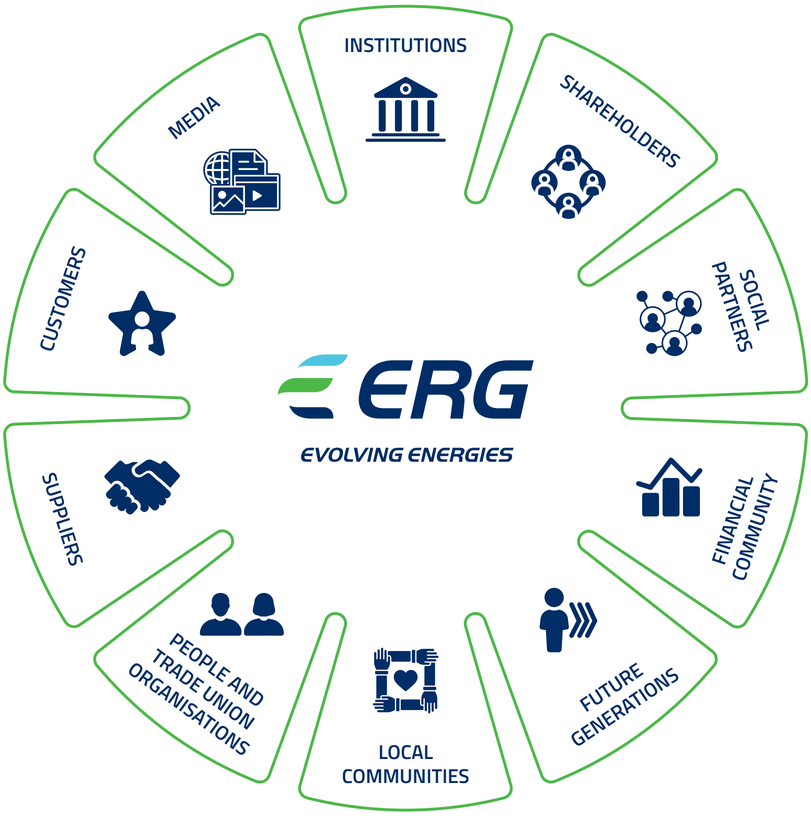
To encourage stakeholder dialogue, the Group:

- conducts peer analysis
- considers requests from rating agencies
- listens to the requests of all stakeholders, including possible local concerns (landscape and construction sites), so as to promote fair development oriented towards the just transition
- involves employees in the definition of the plan objectives, also through the requests made by trade union representatives.

The Group uses different methods and tools to engage its stakeholders defining, on each occasion, the most suitable tools for the relationship and the type of dialogue to be engaged in, in compliance with the applicable regulations, in particular in relation to the dissemination of corporate information.
The Group therefore carries out the following activities:

- presentations via streaming/webcast or conference calls regarding the financial results for the period or other significant events for the Group;
- holding roadshows, investor days or other meetings with one or more stakeholders;
- publication of videos or transcripts of the events on the Group website;
- publication of presentations and support materials used during meetings or as part of consultations and/or hearings organised by national and local institutions on the Group's website
- social media initiatives;
- participation in industry meetings or other events that may allow the sharing of information with stakeholders;
- sending and/or publication on the Group website of newsletters, magazines, videos or other communications, in any format, to give periodic updates on the ERG Group's activities;
- organisation of public events or of a confidential nature and/or seminars aimed at stakeholder engagement, including national and local institutions, on sustainability and environmental and social topics.

In order to give these activities full transparency and visibility, accurate information is processed in relation to the meetings and dialogue established with stakeholders, as well as the results and impacts of these initiatives.



The stakeholders of ERG

Stakeholders	Stakeholder expectations	Engagement methods	Engagement activities 2025
Institutions European Union, Governments, Ministries, Regulatory bodies, Public Administration, Business associations.	- Collaboration, technical support and sharing of information - Participation in the territorial planning of activities - Respect for the legislation in all countries where the Group operates.	- Dedicated meetings - Worktables - Conferences.	Active participation in - Wind Europe – Copenhagen - Salon des maires - Paris - Colloque National Eolien - Paris - Foro Solar - Madrid - Key Wind – Rimini - Events and round tables on the topics of energy and environment - Observatories in the energy & environmental field (Polytechnic Institute of Milan, AGICI, Althesys, SUSDEF) - ERGLab think tank in Rome, Madrid, Paris and Brussels - Accreditation from central and local institutions in countries where we operate.
Shareholders and the Financial Community	- Value creation - Representation of minorities - Transparency and timeliness with regard to economic and financial information.	- Shareholders' Meeting - Webcasts - Press releases - Roadshows - Events related to the presentation of the Busi-ness Plan and the ESG Plan - Continuous dialogue with shareholders and inves-tors in general (Policy for the management of dia-logue with stakeholders).	- Quarterly webcasts to present results - Meetings with investors - Ongoing information about the Group's activities (press releases and news) - Italian Sustainability Week (digital) - Management of relations with ESG rating companies.
Social partners	- Creation of long-term shared value through the application of circular economy principles - Acceptance of common values in the development of a joint strategy and business management - Supporting local communities active in the socio-economic sphere, through the availability of clean and accessible energy - Supporting and incentivising D&I policy development - Adequate coverage of activities through joint communication.	- Conferences - Face-to-face meetings - Digital meetings.	- "Social Purpose for Solar Revamping" Project (Greenpeace Ukraine - Ukraine; Preschool Educational Institution "Kazka" - Ukraine; Elettrici Senza Frontiere - Italy; Banco Alimentare - Italy; Diocesi di Genova - Italy; Officina Casona SCS - Italy) - Training and courses (ELIS).
Future generations: Students and teachers of schools, universities and master's programmes	- Raising awareness of topics related to combating climate change, respect for the environment and biodiversity, sustainability, with particular reference to the 2030 Agenda of the United Nations - Knowledge of ERG's strategy and its transformation case - Professional guidance, through the discovery of ERG's "green jobs".	- Training and information projects through workshops, testimonials, lessons, sponsorships, visits to plants, project work, internships, school-work programmes, participation in fairs and festivals.	- Educational projects in cooperation with universities and schools (also through activities with the newspaper La Nuova Sardegna) - Partnership with Science Festival to involve secondary school students in debates on the energy transition - Testimonies of STEM graduates as Role Models (programme with ELIS).
Local communities Cultural, religious and research associations, health service, NGOs, Committees of citizens, residents close to production plants.	- Consideration of their views - Creation of shared value - Contribution to and support for local initiatives and local communities - Access to information - Safeguarding of heritage and environment - Health and safety.	- Meetings with local communities in line with the Group's business - Educational projects for future generations on renewable energy and the energy transition.	- Financial and organisational support to social, cultural and health activities in the areas served - Meetings with the local communities for development projects in Italy, France and the UK.
People and trade union organisations Workers with employee contracts, workers without employee contracts, trade unions	- Equal opportunities - Workplace safety - Professional development for all employee categories - Participation in company life and all related initiatives - Private life/work integration. - Stability - Trade union agreements.	- Activities and tools for assessment and internal communication: Question time, group meetings, year-end parties, family days, corporate volunteering, team building, - climate survey - Information and updating tools such as intranet and newsletters - Wind & Solar trade union protocol.	- Training - Internal communication events for employees and their families - Protocol for industrial relations - Corporate welfare projects.
Suppliers [1]	- Safety of on-site activities - Transparency in competitive processes.	- Web platform - Involvement and monitoring on workplace safety and sustainability topics (with focus on D&I, governance, carbon footprint, human rights and supply chain) - Compliance with the ERG Group's governance documents (Code of Ethics, Supplier Code of Conduct, 231 Model, Anti-Corruption Policy, Information Security Policy).	- Procurement methods on a com-petitive basis - Sustainable Procurement, with an updated Supplier Code of Conduct to be accepted at the start of business relations - Possible audits to verify compli-ance with the Code of Conduct, with particular reference to hu-man rights - 'Sustainability K' factor in all ten-ders above EUR 100,000 - 'Adequate' sustainability score for tenders exceeding EUR 1 million - HSE audits for suppliers carrying out activities at Group plants - Termination of the contract and/or exclusion from the vendor list in the event of serious or sys-tematic breach of contract.
Customers [2]	- Guarantee of electricity supply and/or environmental certificates through the production of renewable energy from new investments and/or existing Wind & Solar assets in compliance with high quality standards.	- Analysis and sharing of requirements with customers and drafting of contracts (e.g., PPA - Power Purchase Agreement) and/or 'ad hoc' solutions.	- Receiving direct enquiries from potential counterparties or active scouting through direct contacts or via advisors.
Media	- Transparency and clarity of information supported by data - Timeliness in communication	- Press releases, press notes and interviews for the dissemination of periodic results, the objectives and contents of the business plan, the Group's business activities and extraordinary transactions (M&A) - Events, inaugurations, trade fairs, conferences, press conferences and site visits.	- Daily and extensive media relations activities carried out by the External Communication Division for the consolidation of relations with the media and follow-up after the dissemination of news - Networking and engagement on key advocacy messages.

(1) For details, please see the Governance section, "Management of Relationships with Suppliers in an ESG perspective"
(2) Please see section S4 "Customers" for details

S3-2

Processes for engaging with affected communities

ERG carries out a series of initiatives to involve the local communities in the areas where it operates. Engagement activities are of particular importance during plant development and construction phases and continue throughout the entire life cycle of the assets. Community engagement is based on transparent relationships and takes the form of specific initiatives to support the well-being of the territory.

Renewable energy is a significant source of value for local communities. ERG implements concrete measures for sharing value, supporting municipal or inter-municipal projects related to energy transition, protecting biodiversity and adapting to climate change, including topics such as energy requalification and energy efficiency.

The engagement strategy is divided into four main phases:
- Initial consultation. Organisation of public meetings and moments for collective reflection right from the feasibility study phase to inform about the project's objectives and collect the first feedback from citizens.
- Continuous dialogue. Creation, if necessary, of a local monitoring committee composed of administrators, associations and volunteer citizens to ensure transparent exchange during all development phases.
- Contribution to local development. Implementation of a benefit-sharing mechanism to support territorial initiatives, which are monitored by the Group's technical asset managers to ensure their implementation and effectiveness.
- Awareness and education. Organisation of visits to existing wind farms and workshops to explain the benefits of the project (environmental, economic) and respond to specific concerns (landscape, biodiversity, noise impact).

The "Policy for the management of dialogue with stakeholders" defines the methods of dialogue with all stakeholders.

Counterparties can make any reports through the whistleblowing channel present on the company web page.

It should also be noted that the Board of Directors is informed every six months of the various ongoing consultations and of local engagement, as part of its monitoring of social and reputational risks.

Engagement examples in different countries

Italy

To develop wind and photovoltaic plants, it is fundamental to build relationships of trust with the owners of the land. ERG has been doing this for more than 20 years, building strong relationships with local communities.

The company is renewing the expiring contracts of older wind turbines so that they can be modernised with new-generation turbines. This makes it possible to safeguard the windiest and most strategic areas, reducing the number of installed aerogenerators while improving efficiency and production (wind repowering).

Furthermore, ERG actively participates in meetings with institutions and communities, promoting correct information on the energy transition.

France

During the entire project life cycle, meetings are regularly held between ERG's teams and local stakeholders (administrations, associations, residents and landowners). This constant dialogue makes it possible to gather the needs and concerns of the community, fostering greater project acceptance.

Various indicators are used to assess the effectiveness of initiatives:
- Participation rate: number of participants in public meetings and workshops is monitored.
- Stakeholder feedback: the consultation report produced simultaneously with the project presentation documents the phases of involvement and consideration of the community's concerns.
- Integrated improvements: the project is adapted to meet specific needs, such as increasing the distance between turbines and homes or the preservation of certain areas based on environmental studies.

To optimise participation, ERG prepares information bulletins and adjusts meeting times. In addition, each project includes an inaugural event to celebrate the completion of the works, involving and thanking all interested parties.

This strategy aims to consolidate relations with local communities and ensure maximum transparency during the entire project life cycle.

United Kingdom

In the United Kingdom, the affected communities are mainly rural communities and areas directly involved in project development: those located within the site, within a 10 km radius of the plant and the areas along the transport routes concerned, where traffic could be temporarily disrupted.

The engagement process includes several initiatives, including:
- public consultation events and exhibitions
- meetings with local authorities
- surveys/questionnaires
- discussion groups
- local newsletters and newspaper articles.

To ensure the transparent management of funds for community benefit, third-party entities may be appointed, where appropriate.

To assess the effectiveness of dialogue activities, ERG provides feedback forms and dedicated contact channels (e-mail address and telephone number), as well as reports on project impacts.

The observations gathered during the consultations are integrated into the development of the initiatives and, together with the reports, help to define possible compensatory measures and improve participation processes.

In 2025, value sharing funds in the United Kingdom amounted to GBP 1,408,278.88
These funds were allocated to:

- direct funding for local groups, such as sport clubs
- local energy discount programmes (coverage of electricity bills for properties close to one of the projects and discounts for a number of properties near two other projects)
- a programme to allocate micro-loans to local groups that have submitted an application, following assessment by an external charity based on ERG's ESG objectives and the merit of the proposal.

Germany

In Germany, the involvement mainly concerns the municipalities of small rural communities, characterised by strong leadership of the local mayor. The distribution of 0.2 cents/kWh (2 EUR/MWh) to the municipalities involved, as required by law, also contributes to encouraging local acceptance.
Priority is given, when possible, to the use of local contractors for activities in the authorisation and construction phases. The effectiveness of involvement is also assessed through positive feedback in local media.

Spain

In Spain, the involvement of the local community is a key aspect for the success of renewable energy projects. In projects which are already operational, agreements have been signed with local farmers for vegetation control through sheep grazing in the area.

In Garnacha, an agreement has been established with the Natural Heritage Foundation of Castile and León, which is responsible for implementing the environmental measures established in the environmental impact statement. In addition, local employment has been encouraged for the maintenance and supervision of photovoltaic systems.

In the projects under development, ERG is carrying out a socio-economic study that includes key measures for the growth of local activities, including:

- donation of photovoltaic modules to municipalities for self-consumption projects in municipal buildings
- training centre visits to the plants (once the project is completed), with the aim of promoting knowledge in schools
- reinvestment in municipalities affected by depopulation
- training courses on the installation and maintenance of photovoltaic systems in the affected municipalities - before the construction of the projects - to train the local community and increase employment.

Moreover, during the entire development process, ERG constantly dialogues with local organisations to update and adapt these initiatives to actual needs.

United States

ERG pursues various initiatives in favour of the local communities hosting its renewable plants in order to create concrete and lasting benefits throughout the project life cycle. The aim is to generate shared value through targeted contributions, engagement activities and support measures for the local areas.

As part of the Great Pathfinder wind farm's community contribution programme in 2025, USD 10,000 was awarded to Hamilton County Conservation to purchase a Star Lab planetarium for science education purposes in several counties in the area. The project also supported local events.
In addition, work continued on the rehabilitation of post-construction drainage channels.

For the solar project of Mulligan, ERG sponsored the Logan County Fair. It also distributed "Year in Review" brochures to the landowners involved, to share the main achievements and developments of the year.

G1-5

Relations with institutional stakeholders

The electricity sector where the ERG Group operates is highly regulated, as it concerns the provision of a public utility service. The national and European regulatory framework continues to evolve to ensure that industrial competitiveness, energy security and decarbonisation go hand in hand.

ERG's relations with institutions are geared towards actively participating in and contributing to this transformation process in order to facilitate the concrete fulfilment of projects and the energy transition.

In this dynamic context, dialogue with trade associations allows ERG to develop and strengthen its role as an industrial operator in renewable energy, and to support decarbonisation policies that are essential both for the Group's business model and for the fight against climate change.

International context

In 2025, the European Union published the Clean Industrial Deal (CID) and began its implementation. It confirms the climate targets of the previous Green Deal but shifts the focus to competitiveness, simplification and rapid project implementation, positioning decarbonisation as an engine for growth and aiming for more affordable energy for businesses and households. Renewable energy is identified as one of the pillars that will reduce not only energy costs but also geopolitical energy dependencies.

At the same time, the Clean Industrial Deal renews its focus on nuclear energy and considers state aid, confirming the backup role of gas in the short term, with an increase in LNG (Liquefied Natural Gas) purchases and a strengthening of transatlantic relations.

The EU simultaneously launched the Affordable Energy Action Plan to aggregate demand and improve supply conditions.

In parallel, an EU-UK agreement is being negotiated for a return of the UK to the European home electricity market.

Major themes of the energy market in 2025

In 2025, ERG actively contributed to working groups, consultations and strategic documents in relation to energy and the environment, providing its industrial expertise and knowledge of the sector.

The most important topics addressed during the year are indicated below:
Consolidation of the European competitiveness and decarbonisation framework:

- Decarbonisation target: the target of achieving 45% of energy from renewable sources in total energy consumption by 2030 has been confirmed, with a strong focus on wind and photovoltaic energy production. In parallel, the Council and Representatives of the European Parliament recently reached a preliminary agreement to introduce an intermediate binding target in European climate law of a 90% reduction in greenhouse gas emissions by 2040 compared to 1990 levels, a concrete step towards climate neutrality in 2050.
- Clean Industrial Deal: as mentioned above, it sets out a roadmap for industrial growth, lower energy prices, accelerated electrification and reduced dependence on imported fossil fuels, with regulatory simplification actions. New state aid guidelines have been published, which aim to make aid approvals on renewables, storage, industrial decarbonisation and cleantech manufacturing faster and more predictable (horizon up to 2030).

PPA prices and centrality: high volatility in electricity markets, commodity price dependence and the objective of reducing exposure to gas keep the use of PPAs (Power Purchase Agreements) and CfDs (Contracts for Difference) central, supported by the reformed market design and the Affordable Energy Plan.

Electric market changes (market design): in the UK, the government rejected the proposal for zonal pricing, confirming a single national price, thanks in part to the positioning of several market players, including ERG. An advocacy campaign was carried out, highlighting the negative impact this change would have on the development of renewable energy.

Electrification of demand: this issue was addressed at EU level with consultations and an operational plan expected in 2026, aimed at increasing the share of electrified end consumption. Electrification is seen as a strategic lever to reduce dependence on fossil fuels, better integrate renewables and improve system flexibility, with benefits for grid stability and emission reduction.

Storage systems: given the increasing share of non-programmable renewables in electricity systems and the volatility on electricity exchanges, storage systems, primarily electrochemical, are becoming increasingly central.

- In Italy, the first auction was held under the MACSE mechanism in 2025, with 10 GWh of capacity allocated at particularly competitive prices. The auction revealed strong market interest, providing systemic leverage for the integration of non-programmable renewables.
- In Spain, following the blackout of 28 April 2025, urgent measures were introduced to strengthen resilience, storage and voltage/frequency control, defining operational standards for BESS (Battery Energy Storage Systems) and large-scale plants.

Improvement of authorisation procedures: several European countries are currently implementing the provisions of RED III, which envisage simplifications, faster permitting times and recognition of the principle of overriding public interest for renewable installations. Particularly noteworthy results can be observed where these measures have been applied in a manner consistent with the spirit of the directive. A case in point is Germany, which in 2025 authorised more than 20 GW of new wind power plants and installed 5.7 GW of them, thanks in part to a well-structured and well-timed auction system.

Repowering and revamping: the simplification of authorisations for repowering wind and solar power plants remains central, both in Italy and in other European countries. In fact, these practices are a means to increasing production and efficiency, also with benefits in terms of lead times.

Safeguarding existing assets: it is important to preserve renewable assets that have reached the end of their useful/incentivised life, mitigating their exit from the system through long-term contractualisation (such as the PPA or CfD contracts mentioned above) and access to new support schemes following repowering or revamping.

Extraordinary taxation - infra-marginal Caps:
in view of the persistent volatility of gas and electricity prices, the monitoring of extraordinary taxation measures and imposed tariffs/caps that were adopted or announced in European countries continues, as they would be detrimental to the increased deployment of RES.

Engagement activities with various stakeholders

ERG carries out engagement activities planned with the main institutional and private stakeholders through:
- ERGLab, the think-tank that involves stakeholders on regulatory and scenario topics
- trade associations, with which continuous, effective dialogue is maintained
- targeted meetings with the main institutional subjects and with national managers of the electric grid
- participation in the most authoritative energy observatories and research studies.

To ensure maximum consistency in how relations with institutional stakeholders are managed, the ERG Group maintains an in-house control system based on procedures integrated into the Organisational Model (pursuant to Italian Legislative Decree no. 231/01 as amended) and supported by a specific system of sanctions.

In line with these principles, the Group also has a specific policy under which no direct or indirect contributions may be paid, in any form, to political parties, movements, committees, political organisations, or trade unions, nor to their representatives or candidates.

Advocacy initiatives

Repowering

Repowering is crucial for the decarbonisation of the European electricity system; it was confirmed as one of ERG's strategic priorities in 2025. Indeed, it is the most effective lever for increasing renewable production without further land consumption.

ERG strengthened its advocacy action on the issue during the year, developing in-depth technical studies and dedicated studies both internally and within the association, contributing to the public debate and raising awareness among institutions and stakeholders.

The aim is to highlight how repowering can be instrumental in achieving the renewable capacity targets set by national and European plans, at a time when greenfield growth faces obstacles related to area availability and authorisation complexity.

The European regulatory framework, including both European and national legislation, has confirmed this centrality, with initiatives aimed at simplifying processes and facilitating project execution, reducing bureaucracy and speeding up completion times.

Price stabilisation: the role of long-term contracts (CfD and PPA)

Given the volatility of recent years, the stabilisation of energy prices remained a top priority for the European electricity system in 2025. Long-term contracts remain essential in reducing price risk, ensuring the economic viability of projects and securing direct benefits on energy costs.

Among these instruments, Contracts for Difference (CfDs) are the benchmark identified by the European Commission for Member States to support renewable generation. These are "two-way" contracts awarded through competitive auctions; they provide revenue stability for producers and more predictable prices for the system. Their effectiveness depends on clear, long-term planning: auctions with appropriate volumes and tariffs consistent with technological costs are indispensable in giving investors visibility. Germany is confirmed as the best in class in Europe thanks to a structured auction schedule supported by a simplified authorisation framework, which has enabled projects to be implemented more quickly.

In Italy, the long-awaited FER-X Transitional call for tenders was published in 2025: a success in economic terms for the state, with significant reductions compared to the allocation limits, but with quotas that are still too small compared to installation trajectories. The features of the tender incorporated many of the demands brought forward by ERG, such as updating tariffs with inflation, protection from negative prices and the removal of penalties for full reconstruction work (now called "full refurbishment"), marking a step towards a more competitive framework.

Next to CfDs, Power Purchase Agreements (PPAs), which are long-term contracts between private individuals, are confirmed as alternative and complementary instruments. They are crucial not only for new plants, as PPAs on existing capacity with medium-term time horizons allow renewable assets to remain operational at the end of the incentive period, ensuring continuity of production and stable revenues for producers, while buyers can reduce their exposure to volatile energy prices, source green energy and contribute to decarbonisation. ERG has achieved significant results in this area, winning several lots for existing capacity tendered by Ferrovie dello Stato.

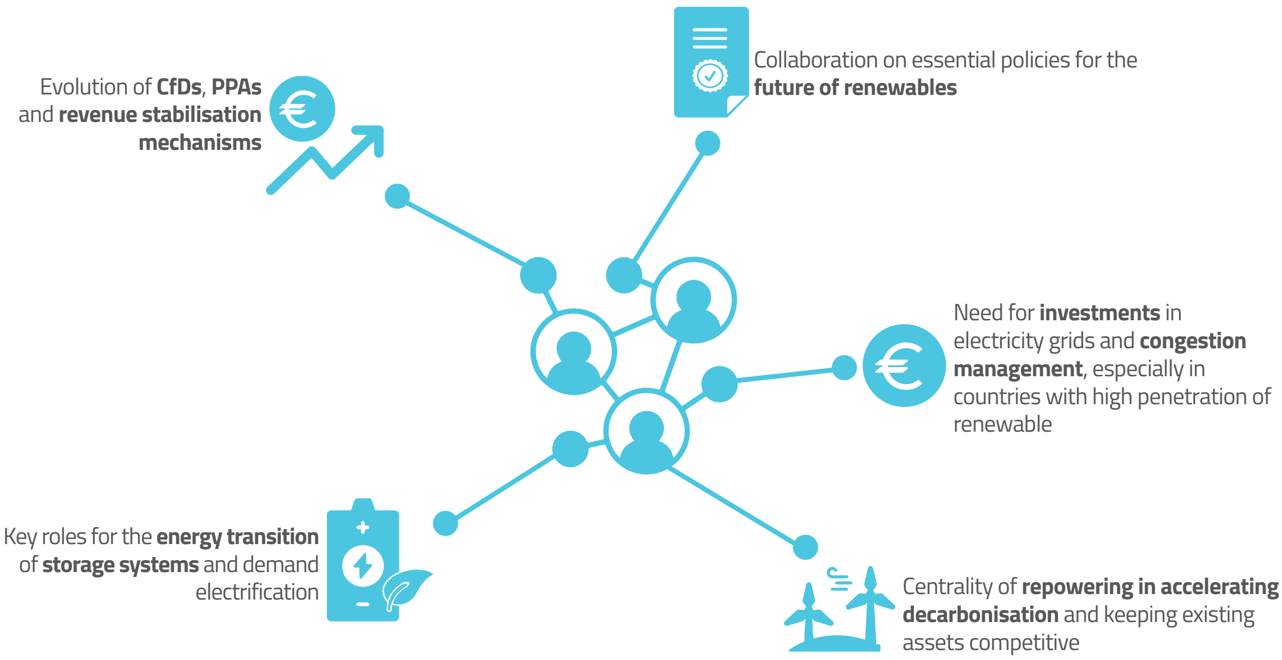
Electrification and flexibility: the key to a competitive and safe system

The topic of the electrification of final demand strongly emerged as one of the pillars for the energy transition in 2025, enabling the optimisation of system costs, mitigation of price volatility and strengthening of energy security, crucial objectives in an unstable geopolitical context.

Electrification is also an enabling factor for flexibility. More electricity demand means more opportunities for modulation and integration with storage technologies, indispensable in balancing the variability of renewables. Battery systems (BESS) assume a strategic role within this framework.

ERG emphasises the importance of a systemic vision which integrates and coordinates interventions on renewables, electrification, flexibility and storage, avoiding fragmented approaches that could generate inefficiencies or market distortions. This is the only way to ensure a competitive, resilient energy system consistent with decarbonisation goals.

THE CENTRAL THEMES ADDRESSED



International relations

As an international industrial operator, the ERG Group continuously follows the evolution of the main energy and environmental policies at European and national level, maintaining open dialogue with institutions, authorities and regulatory stakeholders. Monitoring and advocacy activities are supported at the association level by the Group's participation in WindEurope and the main industry organisations in the countries where ERG is active.

At the same time, ERG closely observes the legal, regulatory and political developments in the markets in which it operates, analysing the dynamics that may directly impact its activities.

The Business Plan devotes special attention to the markets of Italy, France, the United Kingdom and Germany, where ERG has consolidated its industrial presence in recent years. The stakeholder engagement plans in the various countries aim to represent ERG as a reliable interlocutor, with consolidated industrial experience, a stable presence in the region and an exclusive commitment to renewable energy. This positioning reinforces the Group's ability to constructively contribute to key decision-making processes, build meaningful partnerships and support a favourable regulatory framework for the energy transition.

In line with the strategic objectives of the Business Plan - which confirm the Group's 100% growth in renewable energies - ERG actively participates in national and international associations committed to:

- supporting the implementation of the Paris Agreement through ambitious climate strategies and decarbonisation objectives (e.g., Net Zero Target)
- promoting the spread and development of renewable energies, consistent with the Net Zero target for 2050 of the European Union.

Alongside the topics which are already fundamental to advocacy, such as revenue stabilisation mechanisms, repowering and the hybridisation of wind and photovoltaic plants (i.e., combining several technologies at the same site), three areas of international focus were strengthened in 2025:

- The limitations of networks and infrastructure delays are increasingly evident in several European countries, where the growth of renewable capacity outpaces the adaptation speed of transmission systems.
- The debate on the introduction of zonal pricing in the UK and Germany, a potentially disruptive change for the location of investments and the profitability of existing assets.
- The increase in negative prices is a phenomenon that affects an increasing number of hours per year and has a significant impact on the economic viability of renewable producers and the means of revenue coverage.

These issues formed the core of the Group's institutional relations activity in 2025, together with the ongoing discussion on electricity market reforms and support mechanisms for renewable generation.

International activities in 2025

ERG continued to play a leading role in the discussion and consultation processes in the Group's most strategic European markets in 2025.

In the UK, the Group played a significant role in the debate regarding the possible introduction of zonal pricing, actively participating - as a founding member - in the public campaign "Fairer Energy Future". The proposal to fragment the UK market into zones would have had particularly significant consequences for generation located in Scotland, with risks for the long-term competitiveness and economic viability of renewable projects. The collective action of operators, supported by large-scale dissemination and analytical work, helped to raise awareness among the public, investors and policy makers of the need for an approach to electricity market reform that balances economic efficiency, investment sustainability and climate objectives.

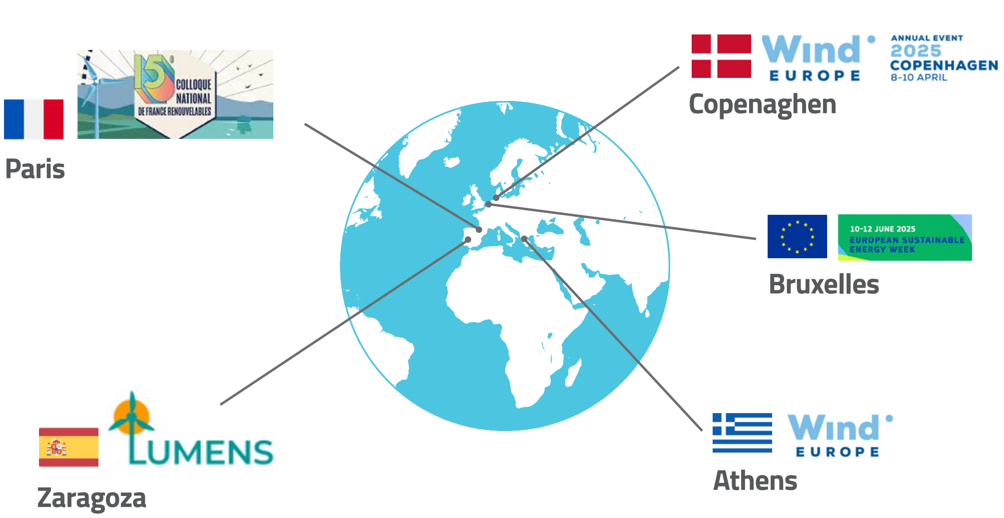
In Northern Ireland, ERG was again among the companies most engaged on the issue of generation constraints due to power grid failures, which increasingly impact renewable operators, reducing actual generation and creating uncertainty about long-term projections. ERG participated in technical meetings with authorities, regulators and institutional representatives, helping to highlight the need for structural interventions and short-term mitigation measures.

ERG also shared its experience as an international operator at several European forums. In particular, the Group participated in the first WindEurope workshop dedicated to networks that was held in Athens in March 2025, bringing direct testimony on infrastructure challenges and development prospects in markets such as the UK. ERG also contributed to the annual WindEurope Conference with speeches on topics related to repowering, authorisation procedures and market design, highlighting the peculiarities and opportunities of the markets where it has been operating for the longest time.

During the year, ERG won a European research tender as part of a consortium of nine partners from seven European countries that included market players, electricity system operators, renewable energy promoters and multidisciplinary experts. This three-year project, called LUMENS and funded by the Horizon Europe programme, aims to improve the competitiveness, planning and management of renewable plants, contributing to the transition to net-zero emissions. LUMENS aims to tackle obstacles to the growth of renewables on a large scale, such as outdated grid infrastructure, limited flexibility, regulatory complexity and "NIMBY" (Not In My BackYard) phenomena, i.e., the protest of local community members against infrastructure projects near their homes. The project aims to strengthen the dialogue between stakeholders by offering open-source tools to support planning and strategic decisions. It also promotes the continuous transfer of knowledge to improve the integration and management of renewable infrastructures.

ERG is registered in the transparency registers in Scotland and Germany[40], with a view to full transparency and accountability in advocacy activities.

I FORUM E GLI EVENTI INTERNAZIONALI DI ERG



40 Scotland: name: ERG; number: 0637283; website: https://www.lobbying.scot/SPS/
Germany: name: ERG; number: R004822; website: https://www.lobbyregister.bundestag.de/startseite?lang=de

Main associations in which ERG actively participates

Association	Purpose	ERG participation
Italy		
Confindustria	Together with the local associations, the national trade associations, the regional Confindustria chapters, and the national sector federations, it constitutes the sys-tem of representation of companies producing goods and/or services with an in-dustrial structure.	Governance bodies and technical groups
Elettricità Futura	It is the main Italian association of the electricity sector, comprising over 700 oper-ators that employ over 40,000 people and holding more than 76,000 MW of in-stalled electrical power (conventional and renewable), with around 1,150,000 km of lines. Over 70% of electricity consumed in Italy is supplied by its member com-panies.	Vice-presidency, governance bodies and technical groups
ANEV	The National Association of the Wind Energy sector Associazione Nazionale Energia del Vento (National Wind Energy Association) brings together about 70 compa-nies in the wind power sector and more than 5,000 parties, including producers and traders of electricity and technologies, installers, designers, engineering and environmental offices, electricity traders and developers.	Governance bodies and technical groups
AIEE	The AssociazioneAssociation Italiana Economisti dell'Energia acts as an inde-pendent contact point for Italian energy policy issues vis-à-vis national and inter-national bodies. It liaises with the authorities and bodies responsible for defining energy policy in Italy, with whom it holds meetings and debates.	Technical groups
Assonime	The Association of Italian Joint Stock Companies works towards improving indus-trial, commercial, administrative and tax legislation in Italy.	Governance bodies
Fondazione Sviluppo Sostenibile	The Foundation chaired by Edo Ronchi (former Italian Minister of the Environ-ment) is focused on the promotion of green economy. It includes around 120 members: companies, consortia and specialists dealing with sustainable econo-my.	Governance bodies
Fondazione Civita	This organisation founded by a group of public and private companies, public re-search organisations, and universities counts over 160 Associates and is commit-ted to the promotion of culture through research, conferences, events, publica-tions, and projects.	Governance bodies
Fondazione Magna Carta	The Foundation is dedicated to scientific research, cultural reflection and the de-velopment of proposed reforms on the main themes of political debate.	Governance bodies
Genova Smart City	Founded in 2010, the Association has the aim of developing projects to make Genoa a 'smart' city and improve the quality of life of its inhabitants.	Technical groups
Abroad		
Wind Europe	A body representing the interests of the wind energy industry and supply chain in Eu-rope, the European branch of WWEA, the World Wind Energy Association.	Governance bod-ies and technical groups
SER - Syndicat des Energies Renouvelables	French professional body that groups together several thousand companies and pro-fessionals specialised in the various renewable energy sectors, with the aim of pro-moting their development and responding to the growing demand for environmentally sustainable energy.	Technical groups
France Renouvelable	Association of French wind energy operators. It represents over 90% of wind turbines installed throughout France and over 85% of the country's wind energy production.	Technical groups
Renewable UK	Leading association in the UK renewable energy sector, specialised in on and off-shoreoffshore wind energy and in tidal power. It has a broad corporate membership ranging from small independent companies to large international groups and manu-facturers.	Technical groups
Renewable NI	Northern Ireland's leading renewable energy association. It represents companies that have assets or are developing assets in the area. The association is primarily concerned with on-shoreonshore wind.	Technical groups
SR - Scottish Renewables	Association for the development of renewable energy in Scotland. Its members work with all renewable energy technologies.	Technical groups
BWE - Bundesverband WindEnergie	Association of German wind energy operators. It has over 20,000 members and is one of the leading associations in the world. It is affiliated to the European Wind Energy Association (EWEA), the Global Wind Energy Council (GWEC) and the World Wind En-ergy Association (WWEA).	Technical groups
PWEA - Polish Wind Energy Association	Polish national association of wind power operators.	Technical groups
RWEA – Romanian Association for Wind Energy	Romanian national association of wind operators.	Technical groups

Association	Purpose	ERG participation
UNEF – Unión Española Fotovoltaica	The main association of the solar photovoltaic industry in Spain, with more than 750 member companies.	Technical groups
APPA - Asociación de Empresas de Energías Renovables	Founded in 1987, APPA is the reference association for the renewable energy sector in Spain. It brings together companies and organisations whose objective is the use of renewable energy sources in all their forms.	Technical groups
EFET – Federazione Europea dei Trader dell'Energia	Association promoting competition, transparency and free access to the European energy sector. It seeks to build confidence in energy and gas markets across Europe, so that they can support a sustainable and secure energy supply, facilitating the tran-sition to a zero emissionzero-emission economy.	Technical groups
IREGG - Independent Renewable Energy Generators Group	Group formed by medium-sized players in the renewable energy sector in the United Kingdom that aims to drive the development of clean energy.	Working groups
Fédération Française des Producteurs Agrivoltaïques	French association for facilitating agri-voltaics.	Governance bodies
UN GLOBAL COMPACT	A voluntary UN initiative that encourages companies to promote a more sustainable and inclusive global economy. Member companies commit to aligning their strategies and operations with ten universal principles concerning human rights, labour, the en-vironment and anti-corruption.	Governance bodies and technical groups

Lobbying activities

G1-5	u.m.	2025	2024
AR 12. Optional - Provide the following information on its financial or in-kind contributions with regard to its lobbying expenses			
AR 12. (a) Optional - the total monetary amount of such internal and ex-ternal expenses[(1)]	€	687,570	733,480
AR 12. (b) Optional - the total amount paid for membership to lobbying associations	€	471,750	522,210

(1) which includes RA 12 b

IIn 2025, the top three associations in which ERG participated were: Confindustria (EUR 76 thousand), Wind Europe (EUR 59 thousand) and Elettricità Futura (EUR 39 thousand).

ERGLab's increasingly global network

ERGLab, the Group's think-tank dedicated to the themes of energy and ecological transition, continues to affirm itself as a privileged space for dialogue and discussion between experts, public decision-makers, sector associations, industrial operators and representatives of the academic world. Through private round tables conducted according to the established Chatham House Rule[41], the initiative allows for frank, in-depth and constructive discussions on some of the major transformations affecting the energy sector.

Seven ERGLabs were organised in 2025, further strengthening the Group's presence in key markets and expanding the network of stakeholders involved. Of particular importance was the new international edition held in Brussels and dedicated to the theme of market design. The meeting brought together representatives of the main European energy associations, officials from EU institutions and operators from different segments of the supply chain, from Independent Power Producers (IPPs) such as ERG to integrated utilities, including EDF and Engie.

The initiative confirmed the centrality of the debate on the future of the European electricity market, consolidating the Group's role as an authoritative interlocutor in the regulatory debate.

As every year, an ERGLab was organised in Paris, dedicated this time to the topic of negative energy prices, a fast-growing phenomenon that is increasingly relevant for investors and industry players. The session involved French developers, associations and institutional representatives, providing a platform for discussion on tools and reforms to ensure the economic sustainability of renewable plants in increasingly complex market scenarios.

The geographical scope of the ERGLabs was further extended with a new edition in Madrid to present the Group to the Spanish institutional and associative context, fostering constructive dialogue with local operators and associations.

41 It includes the possibility for participants to use the information but not disclose the identity and affiliation of participants

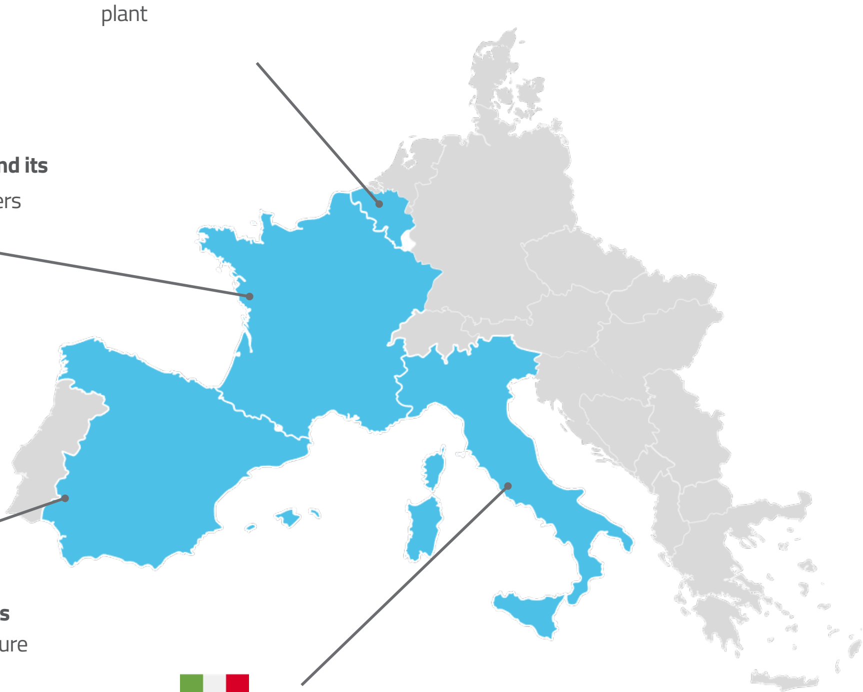
IN 2025: 7 ERGLABS, DISTRIBUTED IN ITALY AND ABROAD

Brussels: 1 session

Focus on **European market design**, balance between new (revenue-stabilised) plants and old (market-based) plant

Paris: 1 session

Focus on the **negative price phenomenon and its implications** for investors and industry players



Madrid: 1 session

Focus on **reforms and flexibility measures** to keep the **Spanish market alive** and ensure its **investibility**

Rome: 4 sessions

Focus on the **Consolidated Law on Renewable Energy**, RED III Directive, regulation of **connections, business models** for **BESS** in Italy

External communication and consolidating our reputation

There have been profound technological, economic, geopolitical and social changes in recent years that have structurally affected not only business, but also the way companies communicate, build consensus and protect their reputations. From the advent of digital media to the recent acceleration linked to artificial intelligence, passing through macroeconomic crises and epochal events such as the pandemic, external communication has become an increasingly strategic lever, called upon to actively contribute to the creation of value and the achievement of industrial objectives.

In this complex and challenging scenario, communication is no longer limited to explaining the business, but plays a central role in guarding reputation, managing public debate and supporting the Group's development strategies.
ERG's external communication in 2025 focused on content, messages and initiatives in line with the strategy outlined in the Business Plan.

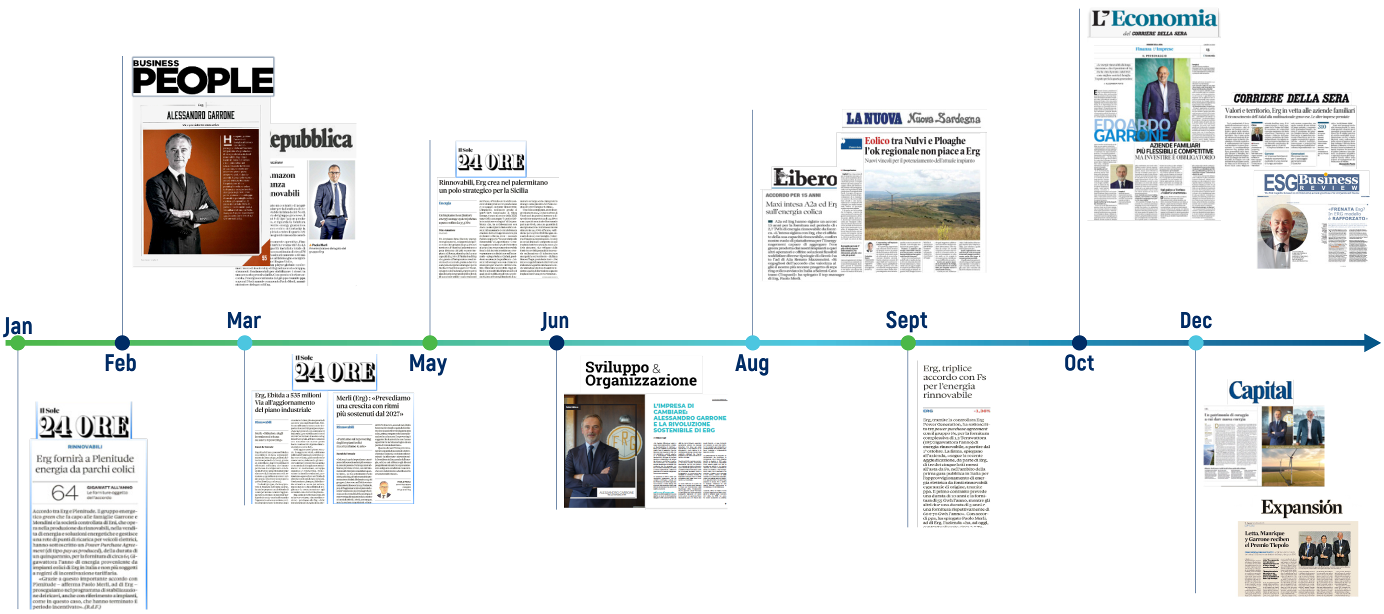
Particular emphasis was placed on advocacy activities on the issues of energy transition, renewables - especially wind power - and the relationship between industrial development and landscape protection, with a specific focus on the areas most exposed to institutional and public debate, such as Sardinia.

Information monitoring and combating fake news were a central element of communications, helping promote a narrative based on data, context and industrial responsibility.
The main initiatives carried out during the year include interviews and public speeches by Top Management, participation in local events, and projects for in-depth analysis and dialogue with the world of education and science.

The following are also noteworthy:

- participation in the documentary project "La Transizione Possibile", promoted by the GSE with the support of the Ministry for the Environment and Energy Security, which narrated the repowering project of the Salemi-Castelvetrano wind farm.
- participation in the fourth edition of the Tourist Guide to Wind Farms promoted by Legambiente, which promotes wind farms as elements capable of intermingling with the natural, cultural and economic heritage of local communities.
- Ecological Transition Sites, an initiative promoted by Legambiente with the collaboration of ANEV. In fact, ERG hosted a leg of the journey at the Vicari site, the Group's first Battery Energy Storage System (BESS) project and one of the first examples of utility-scale storage systems in Italy.
- An event organised in collaboration with Banco Alimentare and Crédit Agricole as part of the Social Purpose for Solar Revamping programme, which included the installation of a solidarity photovoltaic system at the Banco Alimentare of Sicily.

2025 A YEAR FULL OF EVENTS

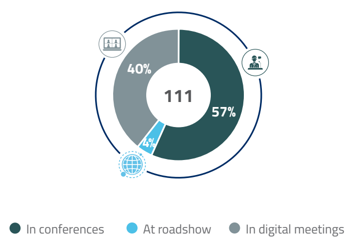


Investor relations and financial communication

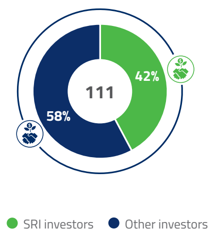
Through the Investor Relations department, ERG ensures transparent, complete and timely communication to financial operators, investors (both institutional and retail) and anyone interested in receiving information about the Group, in compliance with regulations on the disclosure of price-sensitive data. In constant dialogue with the financial community, the Investor Relations department uses various communication channels and proactively collaborates in organising meetings with investors, during which Senior Manager can illustrate the strategic lines and the financial objectives of Group business.

INVESTORS MET IN 2025

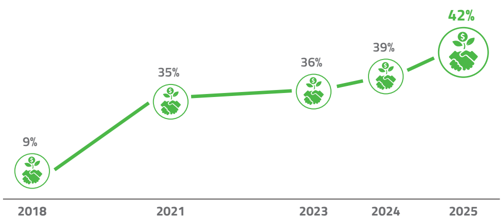
BY MEETING TYPE



BY INVESTOR TYPE



GROWTH % SRI INVESTORS OUT OF THE TOTAL INVESTORS MET



MAIN TOPICS DISCUSSED WITH SRI INVESTORS

- Scarce availability of wind resources in Europe
- Repowering as the main engine of our organic development
- "Value over volume" strategy, and expectation on IRR in the various projects
- US growth prospects, and risks for business in the Trump era
- Route-to-market strategy (PPA contracts, and outcomes 1st FerX tender in Italy)
- Growth potential and the need for more flexibility in storage
- Price volatility, with particular focus on negative prices

ESRS S4

CUSTOMERS

S4-1 S4-2 S4-3 S4-4 S4-5

Strategies, policies, actions and targets related to customers

As a leading independent operator in clean energy from renewable sources, ERG sells green energy and environmental certificates to its customers, contributing to the achievement of their decarbonisation objectives.
In 2025, commercial activities again continued with industrial customers (large companies and utilities) aimed at signing long-term agreements (Power Purchase Agreements or PPA[42]) for the combined supply of electricity and green certificates to third parties.
The objective of the agreements, as set forth in the Business Plan, is the stabilisation of revenue from the sale of energy produced by the Group's assets, neutralising the impact of price volatility for the assets of covered by the agreements. This stabilisation of revenue is particularly important in the case of PPAs concerning plants in the portfolio that are no longer subject to incentives. The PPAs also allow ERG to proceed with investments to create new renewable capacity. These contracts allow the counterparties to guarantee secure the a purchase of the commodity at an agreed price and to fulfil their environmental sustainability commitments, reducing Scope 2 emissions.

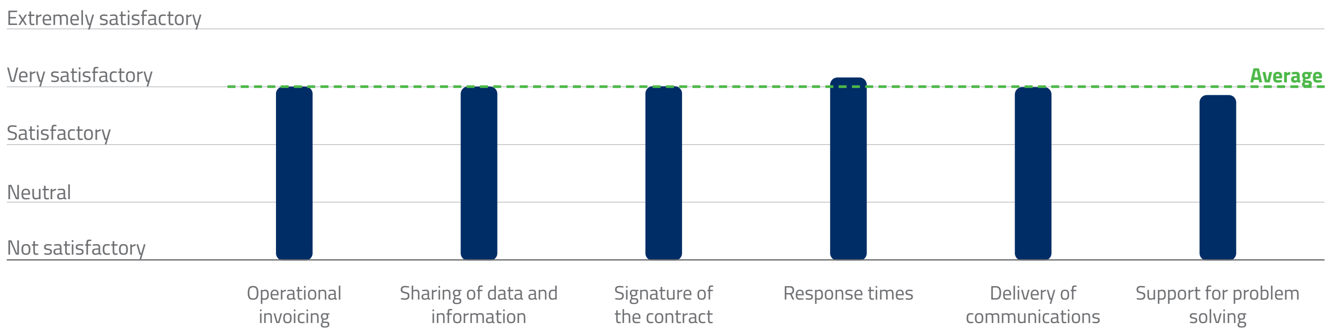
The engagement of counterparties can take place through:
- fairs and events, in order to seize new opportunities;
- one-to-one meetings, to to develop ongoing define a commercial relationship already undertaken;
- annual surveys.

Before entering into any form of commercial relationship, all the counterparties are verified through the due diligence process. In particular, customers are asked to adopt behavioursconduct and practices in line with the ethics and transparency principles that inspire ERG, summarised in the Group policies (Code of Ethics, Human Rights Policy, Organisational and Management Models pursuant to Italian Legislative Decree no. 231/01, Anti-Corruption Policy, Diversity & Inclusion Policy).
For any reports, the counterparties have access to the whistleblowing channel present available on the Group website page.
For problems concerning contract management, a dedicated email channel is available.

Customer satisfaction

Starting in 2023, ERG launched an annual survey for customers with which whom PPAs have been signed (Corporate and Utilities customers), with the aim of monitoring their satisfaction and identifying any areas for improvement.
The survey covered the main areas of interaction with customers: contract negotiation; promptness in providing feedback; communication management; the quality of the data and information shared; invoiceing management; efficiency in solving problem resolutions.
The survey involved 100% of customers. The satisfaction level of each aspect fell between 'satisfactory' and 'extremely satisfactory', thus making it possible to achieve the pre-established goal of 100% satisfied customers satisfaction.

2025 CUSTOMER SATISFACTION



Other company-specific information

Customers

	Uom	2025	2024
PPA	no.	10	9
Trader & Broker	no.	93	62
Customers operating in the electricity system	no.	18	16
Overall total	**no.**	**121**	**87**

42 For details on contracts, please see the section of the Consolidated Financial Statements entitled "Revenue and Operating Margins" NOTE 1 - REVENUE

INFORMATION ON GOVERNANCE

ESRS G1

BUSINESS CONDUCT

"Experience has taught us that creating value in renewables means knowing how to govern complexity and turn it into opportunities. ERG proactively addresses changing regulatory and market environments, leveraging the strength of its governance and the effectiveness of its risk management."

Andrea Navarra
General Counsel

Lawfulness, honesty, fairness, equality, confidentiality, equity, integrity, transparency, accountability, independence, sustainability, balance and diversity in skills and gender: these are the values that have always guided the ERG Group in conducting business and find their highest expression in the Code of Ethics.

The Group endorses the Corporate Governance Code promoted by Borsa Italiana S.p.A., which identifies "sustainable success" as one of the objectives that should guide the Board of Directors' actions. This principle is pursued by creating long-term value for all stakeholders, positively contributing to the socio-economic development of the territories and local communities affected by ERG's production assets and development projects, thus preserving the interests of future generations.

The members of the administration and control bodies of the companies of the ERG Group, employees and all those who collaborate with the Group are called upon to respect the principles contained in our Code of Ethics and in our corporate governance documents (such as the 231 Model, Anti-corruption Policy, Sustainability Policy and Human Rights Policy), to make them their own and to promote them, involving, when possible, their own supply chain as well.

G1-1 G1-3 G1-4

Corporate culture and business conduct policies, actions and targets

Sustainability and ESG (Environmental, Social, Governance) criteria are increasingly material, both for the Group and for stakeholders. For this reason, as part of the ESG Plan, ERG has always worked for "Best in Class" governance, focused on continuously strengthening the governance model through specific objectives.

In particular, in terms of Diversity & Inclusion, the aim is to maintain gender parity in the Board of Directors at the Parent level, and to increase the presence of women in the management and control bodies of subsidiaries.

The corporate governance criteria that regulate the functioning of individual processes are indicated in specific company documents. For a list of the main documents and further details, please see the section "Sustainability policies" under General disclosures.

GOV-4

Due Diligence Process of the ERG Group

The ERG Group has adopted a system of policies with which all counterparties (in particular suppliers) must comply. The verification of their compliance is entrusted to the following bodies:

- Supervisory Body: supervises the correct application of the Code of Ethics, limited to the relevant cases under the Organisational and Management Model pursuant to Italian Legislative Decree no. 231/01; manages any reports through the appropriate channels (dedicated e-mail and ordinary mail) made available to all employees and third parties;
- ESG Committee: monitors the effective application of the Group Policies (Human Rights, Diversity & Inclusion, Combating episodes of Violence, Harassment and Bullying, and Gender Equality).

In addition, the ERG Group uses a dedicated portal to continuously monitor all significant third parties, which concerns:

- the presence of sanctions or legal proceedings in application of Italian Legislative Decree no. 231/01 or equivalent legislation;
- the presence of human rights violations, crimes or illegal actions;
- the presence of negative news in the press.

The supply chain is also monitored on the management of aspects related to the various areas of sustainability (environment, health and safety, governance, respect for human rights), on economic-financial aspects, and its technical performance is assessed in the execution of contracts.

When critical issues arise, actions are taken based on the severity of the situation, in particular the invitation to implement remedial actions. Field audits make it possible to define targeted improvement plans, so that the supply chain complies with the objectives defined by ERG.

Financial risk

The **economic-financial analyses** envisage the verification of:

- Legal information
- Risk profile trend in the last 10 years (if available): rating, probability of default, credit limit, CRIF financial stability
- Economic/financial data (EBITDA/profit-losses/cash flows) of the last 10 years (if available)
- Availability of public budgets (by counterparty in Italy)
- Info present in Public Registers (Protests/Bankruptcies/CIGS)
- Corporate structure of the reference Group (direct/indirect; domestic/international) up to the last ring of control.

ESG risks and reputations

Reputational analyses involve verification through dedicated portals of:

- Beneficial owner
- Politically Exposed Persons (known as PEPs)
- Legal proceedings (initiated or closed) and presence of sanctions (e.g. Italian Legislative Decree no. 231/01 ESG, or equivalent regulation) on the company, its parent companies and its subsidiaries
- Legal proceedings (initiated or closed) and presence of sanctions on Directors/ Managers of the company, its parents and its subsidiaries
- Adverse media

The analyses are also integrated with updated information found in the international press and ANSA.

Market data + Credit Rating + International Press + Ansa →

Risk Monitored

- ✓ Reputational risk
- ✓ Structural risk
- ✓ Financial risk

Anti-corruption: the commitment to ethical integrity

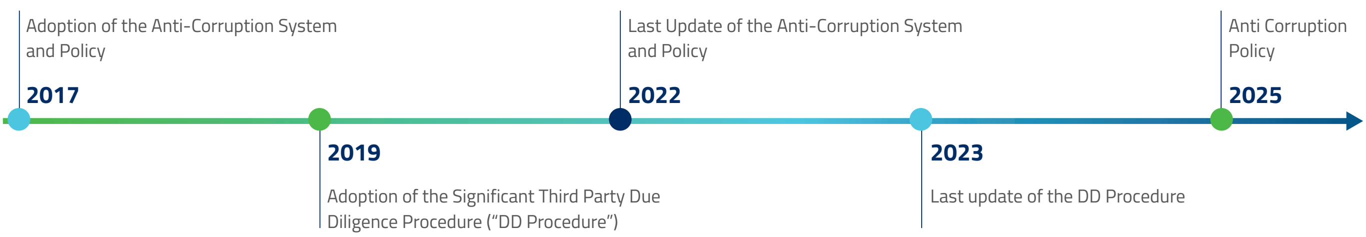
The fight against corruption has always been one of the fundamental values on which the ERG Group bases its activities. This is why it has adopted tools to prevent the risk of corruption, in whatever form it may take, be it active and passive corruption, public or private.

HOW TO PREVENT OR MITIGATE ANTI-CORRUPTION RISK

The Group has had a Code of Ethics since 2004 which indicates the principles of conduct to be observed in relations with institutions, for example in order to obtain administrative measures necessary for the exercise of activities, or to represent, in the appropriate fora, the Group's requests when issuing rules and regulations that may have impacts on the business.
The Code of Ethics has been supplemented over time:

- the Organisational and Management Models pursuant to Italian Legislative Decree no. 231/01 ("231 Models"), within which the prevention of the risk of corruption plays a primary role;
- the Anti-Corruption System and the Anti-Corruption Policy, updated in 2025;
- the Significant Third Party Due Diligence Procedure, updated in 2023.

INTERNAL REGULATIONS RELATING TO THE ANTI-CORRUPTION SYSTEM



The Code of Ethics and the Anti-Corruption Policy (an integral and substantial part of the Anti-Corruption System) are adopted by all Group companies, both in Italy and abroad.

The Anti-Corruption System (hereinafter, also the "System") was initially prepared on the basis of the principles contained in the ISO 37001:2016 standard, updated in 2025 by the International Organisation for Standardisation (new ISO 37001:2025 standard). The ERG Group has therefore updated its System accordingly to ensure compliance with anti-corruption laws and regulations in all the countries where it operates.

Specifically, the System allows to:

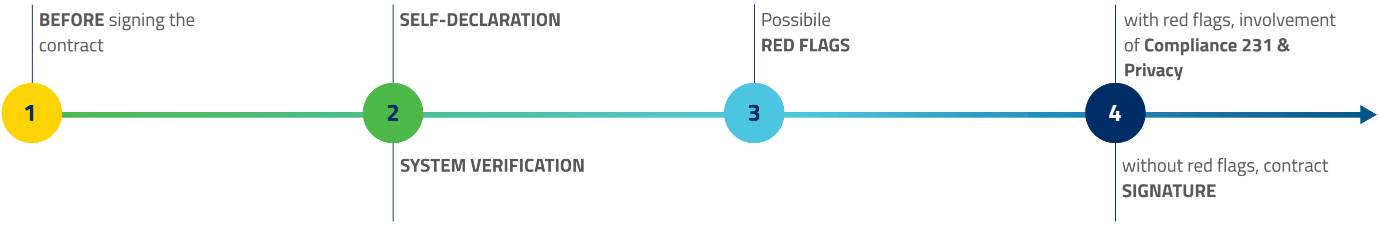
- assess the ERG Group's exposure to corruption risk, taking into account:
  - the countries in which it operates;
  - the third parties with which it comes into contact or through which it operates;
  - the business activities sensitive to this risk, on the basis of parameters such as the frequency of the activity, the probability of occurrence in the operational context, the interest in possible corrupt conduct and the relevance of the persons involved.

- defines the organisational model which integrates corruption prevention measures in the broader context of the Internal Control and Risk Management System (known as the ICRMS), organisational assets and Group corporate governance.

The Anti-Corruption Policy (also the "Policy") is the instrument through which the Group develops the principles of conduct in the area of anti-corruption envisaged in the Code of Ethics. It indicates the control measures that must be complied with when carrying out activities that may expose the Group companies to risks of corruption, whether active or passive, public or private.

Through the Due Diligence on Significant Third Parties Procedure, which applies to counterparties which may expose the company to corruption risk, identifies additional targeted controls for the prevention of corruption risk, to be applied in all processes whose exposure to the risk itself has been assessed as medium or high. The purpose of these controls is to make a concrete assessment of the extent and nature of corruption risks through the performance of due diligence, thereby guiding the decision as to whether to establish, postpone, discontinue or modify the relationships under scrutiny and/or to introduce any mitigation measurese.

SIGNIFICANT THIRD PARTY DUE DILIGENCE PROCEDURE



Compliance Plan

In addition to the general targets defined within the Anti-Corruption System, the Compliance 231 & Privacy department defines additional operational targets annually, which are collected in the Compliance Plan presented to the Control, Risk and Sustainability Committee. The department reports semi-annually to the Committee on the activities carried out during the period, as identified in the Compliance Plan.

The Group activities that are assessed as being at higher risk of corruption and subject to the rules of conduct contained in the Policy and in the Significant Third Party Due Diligence Procedure include, among others:

- investment and disinvestment operations;
- relations with institutions and control bodies;
- management of inspections;
- goods and services procurement (including consultancy);
- management of expenditure on gifts, sponsorships, donations and entertainment.

Facilitation payments *are strictly prohibited.*

Lobbying activities

G1-5	Uom	2025	2024
29. (b) i. the total monetary value of financial political contributions made directly and indirectly by the undertaking aggregated by country or geographical area where relevant	€	-	-
29 (b) i. the total monetary value of in-kind political contributions made directly and indirectly by the undertaking aggregated by country or geographical area where relevant	€	-	-

For each of the activities assessed to be at greater risk of corruption, in addition to the rules of conduct contained in the Policy, the Group has approved specific procedures, clearly identifying the authorised parties, expenditure limits (where applicable) and second-level controls.

All organisational units that, pursuant to the Organisational Manual and internal company procedures, are responsible for or have a significant role in the context of sensitive activities at medium/high corruption risk as expressly identified in the Anti-Corruption System, are identified as being at risk of corruption.

The Significant Third Party Due Diligence Procedure identifies the controls to be carried out before entering into contractual relationships with third parties such as suppliers, contractors, consultants and partners, in order to detect, manage and resolve any conflicts of interest and corruption risks through specific mitigation measures. At 31 December 2025, the Group had monitored 1,897 significant third parties through a dedicated IT system and the completion and updating of specific self-certifications by significant third parties.

The monitoring of the effective and proper functioning of the System is ensured through information flows, both periodical and occasional, from the relevant owners of the corporate departments performing activities relevant to the System to the Compliance 231 & Privacy department.

In order to improve the process of receiving, managing and archiving information flows, the Group has been using software since 2021 that allows the monitoring of the status of receipt of the flows and send reminders. Each owner is also required to report the absence of relevant events to report.

The monitoring of the effective and proper functioning of the System is further ensured by Internal Audit, which carries out six-monthly tests on activities at risk of corruption, and audits of processes at higher risk of corruption offences, both public and private.

It is possible to report violations of the System and anti-corruption laws through a dedicated email address and a regular mail address, which can be used by all those who operate in Italy and abroad, in the name of or on behalf of the ERG Group. The proper handling of reports received is ensured, guaranteeing the confidentiality of the identity of the whistleblower (and of the reported person) and adequate safeguards against possible retaliation.

In addition to these directions, there is the Whistleblowing System, which can be used by employees, suppliers and third parties who have an interest in the Group's activities as part of a contractual (or pre-contractual) relationship with the ERG Group (for more information, please refer to the Whistleblowing section of this document).

In cases where the report is well-founded, the penalty system will be applied to the person who committed the violation. The applicable penalty differs depending on whether it regards:

- employees of Group companies (sanctions envisaged by the National Collective Labour Agreement or equivalent document);
- members of the management and control bodies of the Group companies (revocation from office);
- suppliers, consultants, contractors, customers, partners, developers and co-developers (sanctions set out in the contracts signed therewith, which may lead to the suspension/resolution of the contractual relationship).

In all cases, the penalty must be commensurate with the liability level of the party involved, the intentionality and the seriousness of the conduct, and must be without prejudice to the guarantee of the adversarial procedure. The sanction may be applied regardless of whether proceedings were initiated by judicial authorities.

In 2025, the Compliance 231 & Privacy department regularly received the required information flows. No episodes of corruption were reported (through the Whistleblowing System or other dedicated channels) and consequently no actions were taken.

There are no legal proceedings regarding active or passive corruption within the scope of the activities carried out for the ERG Group, involving the Group companies or their employees.

Compliance with Italian Legislative Decree no. 231/2001

Verification of the effectiveness and efficiency of the 231 Models and related control protocols is carried out on an ongoing basis by the Supervisory Bodies appointed by the Group's Italian companies.

The Supervisory Bodies ("SB"):

- are appointed by the Board of Directors of each company, taking into account the expertise necessary to verify adequacy of the company's 231 Model and its effective implementation, as well as proposing the necessary updates;
- are collegiate in ERG S.p.A., with two external members, and in ERG Power Generation S.p.A., with three members, of which two internal and one external. The members are selected to satisfy the requirements of independence, autonomy and continuity of action;
- they are monocratic in the other Italian companies of the Group.

The Supervisory Bodies carry out their auditing activities in the context of periodic meetings at which, among other things, the information flows received by the owners of the company departments are analysed. As in the case of the Anti-corruption System, these flows are managed through software that allows the status of their reception to be monitored. Each owner is also required to report the absence of relevant events to report. During the meetings, the results of the checks carried out by Internal Audit - which supports the Supervisory Bodies in their activities - are examined, and in particular the results of the six-monthly tests on medium and high crime risk activities. When deemed appropriate, meetings of the Supervisory Body are also attended by the heads of the relevant activities, in order to provide clarifications on specific topics. Data flows between the Supervisory Bodies of the Group's companies are envisaged.

The Supervisory Bodies are also the recipients of reports on possible violations of the 231 Model and the Code of Ethics, limited to the relevant cases pursuant to the relative 231 Models. In this context, they must respect the obligation of confidentiality regarding the identity of the whistleblower and of the reported person.

ERG S.p.A.'s 231 Model was most recently updated on 18 November 2024.

Training pursuant to Italian Legislative Decree no. 231/2001 and anti-corruption

All ERG Group new hires follow mandatory courses dedicated to the Code of Ethics, Anti-Corruption System, Italian Legislative Decree no. 231/01 (to the extent applicable) and the Whistleblowing System.

Specific courses are also organised for people who hold certain roles (including, in some cases, also members of the management and control bodies of the Group companies) or are called upon to operate in relation to medium/high risk sensitive activities.

In 2025, the 231 Compliance & Privacy Organisational Unit continued its classroom training activities for:

- the Directors and Statutory Auditors of ERG S.p.A. and ERG Power Generation S.p.A. and for the members of the Boards of Directors of the other Italian companies of the Group pursuant to Italian Legislative Decree no. 231/01;
- employees, owners of corporate functions that perform, both in Italy and abroad, relevant activities in terms of the 231 Models (where applicable) and/or the Anti-Corruption System. Training also takes place by simulating concrete cases, allowing to highlight the risks associated with certain behaviours and the company rules to prevent or mitigate them.

In addition, through the e-learning training platform, all Group people hired during the year attended courses on the Code of Ethics and the Anti-Corruption System, the Whistleblowing System, as well as Italian Legislative Decree no. 231/01 where applicable.

Prevention and detection of corruption and bribery

G1-3	Uom	All corporate functions			
		Newly recruited	Italy + Foreign	AMSB	Non-employee workers
Training coverage					
Total Hours	h	108	303	21	25
Total recipients	no.	47	187	21	12
Delivery method and duration					
E learning	h	2.3	0.7	-	2.1
Classroom /audio-video conference	h	1.5	1.6	1.0	.
Training frequency		On recruitment	One-off	Annually	At the beginning of the relationship
Topics covered					
Anticorruption (1)		X	X	X	X
Whistleblowing		X			X
Legislative decree no. 231/01		X	X	X	X
Code of Ethics		X			X

(1) The e-learning course on anti-corruption covers 100% of organisational units at risk

S1-17

Whistleblowing

The ERG Group has made specific channels (web platform and voice mailbox[43]) available to report crimes, offences or irregularities. The Whistleblowing System applies to all Group companies and complies with the legislative and regulatory provisions in the countries in which ERG operates.

The Group ensures the confidentiality of the whistleblower's identity and the content of the report, also through the adoption of specific security measures (e.g. encryption) that make it possible to:

- protect the personal data processed and all information relating to the report;
- guarantee the whistleblower from any form of retaliation or discrimination, direct or indirect, for reasons connected directly or indirectly to a report.

The Whistleblowing Committee, composed of the Executive Deputy Chairman and the Head of Legal Affairs Corporate, Western Europe & US, is called upon to carefully evaluate the reports, carry out specific investigations and adopt consistent and appropriate measures.

The ERG Group is committed to promoting awareness of the reporting channels to all stakeholders by publishing relevant information on the intranet and corporate websites. In addition, a special training course on the subject and on the reporting tool was launched via the e-learning platform in 2024, to be carried out by all Group personnel.

Five reports were received in 2025 that were deemed reliable, four of which were anonymous. They all related to the same behaviour, which allegedly contributed to undermining the working climate within an organisational unit. Four were resolved in 2025, and one in the first two months of 2026, in which ERG took action to restore a positive working environment.

The reports were handled through the dedicated platform and in compliance with the *Whistleblowing Guidelines*.

WHAT HAPPENS ONCE I SEND THE REPORT?

4 Storage and possible application of the disciplinary system — **Step 4**

3 Within 90 days, closure of in-depth analyses and feedback — **Step 3**

2 Analysis, in-depth analysis, request for additional documentation — **Step 2**

1 First response within 7 day — **Step 1**

43 Managed by an independent third party

G1-2

Management of relationships with suppliers from an ESG perspective

The supply chain is a key element in achieving the Group's sustainable development goals. Supplier selection is supervised by the Procurement function, which verifies - before considering any relationship - suppliers' endorsement of the ERG Group's values and rules of conduct by accepting the Code of Ethics, the Supplier Code of Conduct, 231 Model, and the Anti-Corruption Regulations.

Revision of the Supplier Code of Conduct

The Supplier Code of Conduct, together with the Code of Ethics, 231 Model, Anti-Corruption Policy and Information Security Policy, must be accepted by all suppliers of goods and services when registering on the ERG Group's supplier portal.

The Suppliers Code of Conduct approved by the ERG Group's Board of Directors sets out the principles established in the Code of Ethics that must be respected in business relations with suppliers of goods and services. It governs all business relations entered into, regardless of the amount, commodity or geographical origin of the supplier.

Contractors are also required to formally ensure ERG that subcontractors in turn accept this document, before receiving authorisation to operate on the Group's business sites.

The revision in 2025 expanded the already existing contents related to respect for human rights, environmental protection, enhancement of local communities, focus on the supply chain, compliance monitoring and related reporting mechanisms.
The main additions concerned:

- the commitment to protecting the confidentiality, integrity and availability of information concerning the ERG Group, through the adoption of appropriate security measures;
- the duty to protect the privacy rights of interlocutors in accordance with the ERG Group's new Privacy Organisational Model, as well as with the relevant laws;
- ensuring the promotion of fair labour practices, based on fair and transparent contracts also from a wage point of view, to counter modern forms of slavery;
- the reference to the contents of ERG contracts in relation to health and safety matters, which call for more stringent forms of control than the legal provisions;
- the need to pay particular attention to the procurement of goods and services when sourced from countries and contexts where behaviours contrary to those promoted by the Code of Conduct may occur, as regards respecting human rights, corruption, responsible sourcing of mineral resources;
- finally, the traceability of the origin of critical mineral resources is requested, paying particular attention to mining activities. The commodities deserving the most attention are solar panels, batteries and inverters.

Sustainable Supply Chain Management

All counterparties are subject to an overall assessment that includes economic and financial aspects, global reputation, the ability to perform the contractual object according to pre-defined technical standards and the aspects attributable to sustainability topics. This monitoring is not limited to the qualification phase, but continues throughout the contractual period. A proven violation of the principles contained in the signed documents or the presence of "alerts" on the topics monitored results in the cancellation of ongoing evaluation and award processes and any contracts already issued, as well as exclusion from the Group Vendor List.

The different types of assessments mentioned above are also used in specific areas, in particular:

- the score obtained with the sustainability assessment is also valid as an incentive criterion in tenders and as a barrier for participation in tenders exceeding EUR 1 million with the aim of pursuing continuous improvement of the level of supply chain sustainability by raising awareness among the less virtuous. This practice also contributes to the decarbonisation goals included in the Group ESG Plan;
- all the companies operating at Group sites, whether contractors or subcontractors, must comply with all health, safety and environmental requirements, which is a binding requirement for the award of contracts of any nature and amount;
- all the assessments carried out are summarised in an overall Vendor Rating which, through a dedicated dashboard, collects the technical and HSE performance assessments processed by the internal departments; economic and compliance indicators acquired through public portals; the ESG rating. This dashboard helps to provide an updated overview of the risk profile of Group suppliers.

The suppliers with inadequate performance are subject to corrective action. They may also be suspended or blacklisted in the event of negative performance and/or information, or following significant events, including:

- unethical behaviour (including forced labour, child labour, human rights);
- serious environmental or workplace health and safety incidents;
- serious non-compliance, identified during audits or on-site checks;
- failure to update or provide the documentation required by workplace health and safety regulations;
- documented infringements to legal requirements.

The Group procurement policy envisages using competitive processes wherever possible.

ERG also ensures correct remuneration in relation to market levels and that signed agreements, such as payment schedules (see the dedicated section as well), are respected. Awarding is based on the most advantageous offer, taking into account all of the related variables and any coefficients assigned.

For the sites where plants are located, a procedure has been defined for subcontractors which calls for a specific authorisation, against prior checks on technical-professional suitability, regularity in terms of contributions, compliance with occupational health and safety regulations, percentage share of the total work, and a guarantee of the maximum rebate applied with respect to contract prices. Subcontractors are also subject to compliance checks using the dedicated portal.

In line with the Group Code of Ethics and the Supplier Code of Conduct, ERG only works with companies that comply with international principles, values and best practices regarding workers' rights. The Group refrains from resorting to any form of irregular, child, forced and/or human rights-infringing work, and implements all the control actions indicated above to prevent these risks from arising along the supply chain.

Policies and targets related to the supply chain

ERG's ESG Plan includes several targets connected to the supply chain, some of which are directly linked to the Group's decarbonisation strategy, such as monitoring and reporting on suppliers which calculate their carbon footprint (of organisation or product). In addition, ERG is committed to ensuring that at least 75% of the main suppliers (with turnover exceeding EUR 1 million) have a decarbonisation target submitted to or approved by SBTi in 2030. This percentage rises to 90% for 2040.
Other targets make it possible to fully assess suppliers' ESG performance: the average score, which is the outcome of the periodic ESG assessment (every two years), must remain above 64%.

Finally, specific ESG aspects are assessed biannually, for example:
- Diversity & Inclusion: monitoring is envisaged for suppliers with actions or policies in the D&I area, with a gradually increasing percentage coverage target;
- Human Rights: a target has been fixed regarding minimum number of Audit Programmes (divided between desktop audits and field audits), in which the verification of aspects related to the respect of Human Rights is also envisaged.

Sustainable procurement

The ERG Group has been committed to improving the sustainability of its supply chain since 2019, working on several synergistic fronts. Specifically:
- the Group has a Supplier Code of Conduct (see also the section related to the revision of this document);
- from 2020 to 2024, five annual sustainability assessment campaigns of relevant suppliers (an average of 150, representing about 80% of the annual purchasing volume) were conducted through specialised consultants. The evaluation was carried out on the basis of a questionnaire on ESG topics. Over the period, the overall average score improved by more than 14 percentage points: 64.4% in 2024 versus 49.7% in 2020;
- following the assessment campaigns, a total of 98 audits were conducted, on the basis of which development plans were drawn up on all ESG topics analysed (governance, human rights, environment, health and safety, supply chain). This process allowed the involved suppliers to improve their score. These meetings, both on site and remotely, therefore constituted free support to improve supplier performance;
- each year, in the run-up to the assessment campaign, awareness-raising and training webinars are organised for suppliers, including a specific meeting on carbon footprint calculation;
- the procedures governing tender processes have been adapted by:
  - inserting a rewarding factor linked to the sustainability score (the sustainability "K" on tenders over EUR 100,000)
  - introducing a minimum threshold for participation in tenders above EUR 1 million, for which an "adequate" score (above 50%) is required;
- two ESG Supplier's Days were organised in 2022 and 2024. During these meetings, awards were presented to the most virtuous suppliers on ESG topics based on their score both in absolute terms and in relation to growth over the years, diversity & inclusion projects and carbon footprint measurement. The main elements of ERG's ESG plan were also explained;
- up until last year, sustainability targets were part of the Top Management incentive scheme.

Considering the positive results from the sustainability questionnaires, it was decided that from 2025 onwards, the results of the assessment campaigns and related audits will be considered valid and effective over a two-year horizon. Sustainable procurement activities will now focus more on specific topics, such as respect for human rights along the supply chain and carbon footprint measurement for strategic suppliers.
The following are therefore planned:
- specific training for ERG people involved in the purchasing process;
- targeted supplier audits;
- definition of specific contractual clauses for commodities at risk of human rights violations and for carbon-relevant categories.

SUSTAINABLE SUPPLY CHAIN

	2024	2025	2030
Strategic suppliers with SBTi target[a]	61.1%	50%	≥75%
Suppliers with a carbon footprint	46%	67%	>60%
Average score[b]	64.4%	-	≥64%
Suppliers with D&I strategy / plan[b]	64%	-	≥70%
Supplier Audits[b]	4 remotely 1 in the field	-	5 Audit[c]

(a) Turnover > EUR 1 million

(b) Planned activity every 2 years

(c) Audit - of which 1 in the field - that also cover human rights

G1-2 G1-6

Payment practices

The payment policy adopted by the ERG Group envisages standard conditions of 60 days and is effective for all counterparties, including SMEs. The policy is:

- transparent, as the commercial contracts clearly indicate the payment terms and the default interest in the event of late payment
- sustainable, as the adoption of digital technologies for the management of payments (dematerialised since 2020) reduces the use of paper and other physical resources.

Finally, as regards the social plan, compliance with payment terms supports suppliers, in particular small and medium-sized enterprises, improving the resilience of the supply chain.

The figures shown below refer to what is present in the SAP system (adopted in Italy, France, Germany and the United Kingdom, corresponding to over 80% of the Group's EBITDA).

Payment practices

G1-6	Uom	2025	2024
33. (a) Disclose the average time the undertaking takes to pay an invoice from the date when the contractual or statutory term of payment starts to be calculated, in number of days;	days	60	60
33. (b) Percentage of its payments aligned with these standard terms;	%	95%	95%
33. (c) Provide the number of legal proceedings currently outstanding for late payments.	no.	-	-

Other company-specific information

G1-2

Management of relationships with suppliers

Suppliers

	u.m.	2025	2024
Suppliers (level 1) with at least 1 order in the year .	no.	1,528	1,599
Strategic suppliers (level 1) with at least 1 order in the year	no.	36	29
Percentage of spending by strategic suppliers	%	79%	56%
Strategic suppliers in level 2 level 3	no.	-	-
Number of qualified suppliers on vendor list	no.	960	1,067
Number of suppliers on vendor list qualified according to environmental parameters	no.	266	309
Number of suppliers on vendor list qualified according to social parameters	no.	427	347
Number of new suppliers with internal assessment (2)	no.	80	66
Number of significant suppliers with external assessment (3)	no.	150	150
Number of suppliers in development programmes (3)	no.	5	5
Number of significant suppliers assessed through desk assessment and/or field audits	no.	5	5
Number of significant suppliers assessed with actual or potential substantial negative impacts	no.	5	5
Number of significant suppliers with actual or potential substantial negative impacts for which a corrective or improvement action plan has been agreed	no.	5	5
Number of significant suppliers with actual or potential substantial negative impacts for whom the relationship has been terminated	no.	0	0

(1) suppliers with orders exceeding EUR 1 million and therefore significant suppliers
(2) for technical qualifications > 100k
(3) updated every two years

"Our approach is founded on embracing complexity with vision and the ability to execute. Selectivity in our choices, expected returns capable of remunerating capital and the ability to structure solid and resilient business models allow us to sustain the Group's consistent and lasting growth, combining sustainability and value creation."

Michele Pedemonte
Chief Financial Officer

Sustainable finance

Sustainable finance is a structural element of ERG's business model, based on principles of equity and long-term value creation. It maintains a key role in the Group's capital structure, being the prevailing component of financing sources and *funding strategies*.

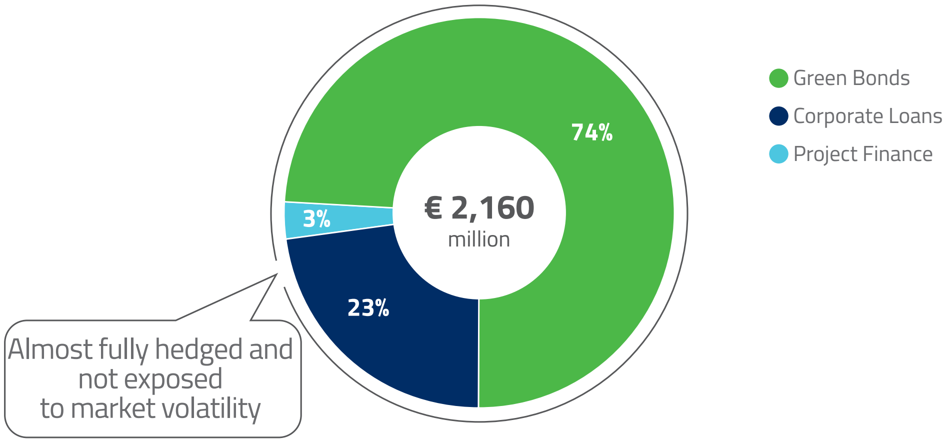
In line with the objectives of *Sustainable Finance* pursued by the Group and in line with the ESG plan, a new sustainable loan was concluded in 2025: a *Green loan* for EUR 75 million with a leading Italian credit institution, aimed at financing and refinancing renewable capacity.

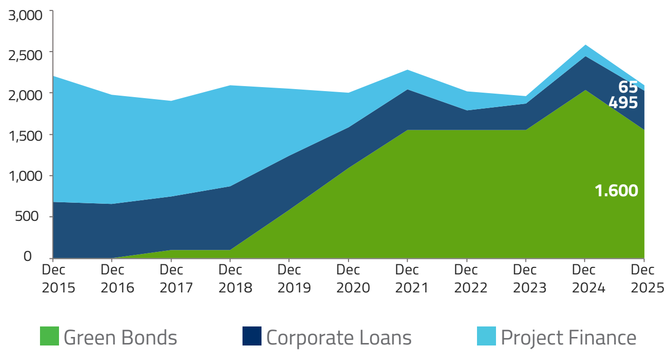
At 31 December 2025, sustainable finance sources stand at EUR 2,095 million, a 2% increase (equal to 97% of the total) compared to 2024. They are articulated as follows:

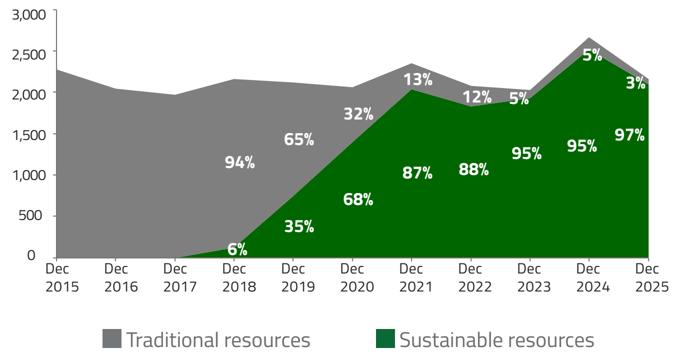
- *Green Bonds,* for EUR 1,600 million;
- *Sustainability-Linked Loans*, for EUR 420 million;
- *Green loan,* for EUR 75 million.

The *sustainability-linked* lines envisage a reward mechanism based on the achievement of specific environmental, social and governance objectives, while the green lines are intended to finance initiatives and/or projects with a positive environmental impact.

GROSS DEBT AT 31/12/2025







With each bond issue, ERG updates the *Green Bond Framework*. The latest version of 2024 was rated by Moody's Rating which, as an external and independent consultant, expressed the highest degree of reliability in terms of alignment with the Green Bond Principles published by the International Capital Market Association (ICMA), and the EU Taxonomy.
On an annual basis and until the maturity of the bond instruments, ERG reports on the allocation of resources to the *green projects* financed and the related positive environmental impacts generated, in terms of CO_2 avoided. This report is audited by an independent external auditor and is available on ERG's company website in the *Green Financing section*[44].

In addition, ERG has sustainable finance lines fully available at 31 December 2025, structured as follows:

- Irrevocable Revolving Credit *Facility (RCF) ESG-linked* for EUR 600 million, maturing in 2028 with the possibility of extension for a further 12 months;
- Green Loan signed with the European Investment Bank (EIB) for EUR 243 million;
- Credit lines for *ESG-linked guarantees* amounting to approximately EUR 230 million.

ICT - Information systems security management

Cyber attacks have changed dramatically in type, sophistication and number in recent years, and there is a continuous increase in the quantity and complexity of threats against industrial and business support processes. To effectively face the cyber risks to which the Group is exposed, IT security management has evolved in line with both the business transformation of the Group and with the evolution of the internal and external ICT technological environment.

This has led to a radical change in the approach to cybersecurity, which has become more mature, with a greater focus on:

- the adaptation and modulation of prevention and protection tools
- training and awareness-raising of people
- continuous monitoring of the maturity of ICT processes and technologies supporting business processes.

With the evolution of technology, there has been a move towards virtualised and cloud IT architecture (typically hybrid), with a high level of outsourcing due to the search for quality, security and sustainability (first and foremost economic and environmental), with a highly fragmented and geographically distributed perimeter.

44 Green Financing

Cybersecurity has now become one of the main topics of attention in the business world, as also reported by the World Economic Forum, also due to the implications in terms of business continuity risks and the enormous economic impacts that occur during incidents. This is an important issue for the Group. Furthermore, the European NIS2 Directive (implemented in Italy at the end of 2024, in Romania and Germany at the end of 2025 and still in the process of being implemented in the other countries where ERG operates) focuses on the management of IT incidents, with the aim of strengthening the security and resilience of the strategic sectors covered by its scope, for the overall benefit of the "European system". The Group regularly carries out structured processes to adapt to the requirements dictated by the implementation standards in the various countries.

It is more important than ever to be clear on how to manage security events, rather than trying to avoid them. For this reason, the "Cyber Security Incident Management" procedure, which has strengthened the Group's ICT governance, is of fundamental importance. In summary, the procedure:

- describes the process for identifying, classifying and managing IT risks
- identifies the subjects to be involved
- describes the activities to be implemented in the event of an ICT Incident.

The Information Security Committee (ISC) is supported by the Security Incident Response Team (SIRT), which implements all actions deemed necessary to limit possible ICT attacks. It is responsible for managing budget resources to resolve issues arising from incidents that have occurred, and for activating cybersecurity insurance for any reimbursement procedures.

Since reaction times in the face of a possible cyber attack are the key element in limiting potential damage, ERG has also adopted automatic real-time monitoring tools and systems to detect anomalies, also defining processes and tools available to individual users for any reports or concerns.

With regard to training, initiatives are regularly carried out aimed at maintaining a level of awareness and appropriate behaviour with respect to the objective of preventing the risk of cyber attacks, outlining specific content on the basis of the roles played by people. During 2025, in particular, in the Upskilling & Reskilling programme, the results shown in the graph were achieved, exceeding the targets set in the ESG Plan.

KPIs MONITORED	Uom	2025		2024	
		Target	Actual	Target	Actual
Number of courses provided	no.	9	9	9	9
Employees with training programme (involved)	%	100%	100%	100%	100%
Employees who have started at least one training programme	%	85%	100%	75%	96%
Employees who have completed the training programme	%	85%	93%	75%	85%

The ICT area staff most closely involved in cybersecurity management and some service providers in the cyber area have attended technical training sessions, particularly on the prevention and management tools adopted by the Group.
At the top level, the Board of Directors (also through the activity of the Control, Risk and Sustainability Committee) and Senior Management play a key role:

- in defining the level of risk appetite:
- in the allocation of resources necessary for the implementation of management strategies;
- in the periodic monitoring of the level of risk exposure and performance against protection objectives.

In addition, the ICT & Digital Committee was launched in 2025 to support the CEO:

- in assessing and periodically reviewing the Group's ICT strategy, guidelines and governance;
- in monitoring implementation, results and improvements, also with regard to IT security issues;
- in assessing the main high value-added business digitalisation projects and monitoring their progress.

As part of the ISO certification process (see below), and in line with the requirements of the standard, the roles of CISO (Chief Information Security Officer) and ISMS Manager (Information Security Management System Manager) were defined in 2024. The organisational and technological approach defined at Group level is based on uniform ICT standards applied independently of geography or generation technologies.

Certification in ICT

Information security is a fundamental component of modern business management, not only for ICT aspects, but comprehensively with respect to the organisational context, with impacts on Operations, Legal, HR, Procurement, etc.

In line with the commitment to operational excellence and information protection, ERG has created an Information Security Management System (ISMS) according to the ISO 27001 and ISO 27019 standards, obtaining certification from an official body with validity for the 2024-2026 three year period; this validity was confirmed during the surveillance audit carried out in the first quarter of 2025.

ISO 27001/27019 certification offers a structured and internationally recognised approach to addressing cyber threats and demonstrating commitment to information security. Achieving this certification not only helps to protect the organisation from current threats, but also prepares it to face future challenges in the increasingly complex digital landscape.

The ISO 27001/27019 certification process is a continuous commitment to ensure information security and compliance with standards, adapting to changing threats and organisational developments. It consists of four main phases:

- Planning: the organisation identifies its own security risks and objectives, developing a plan to achieve these objectives;
- Implementation: the organisation implements the security measures necessary to achieve the established security objectives;
- Operation and Monitoring: the organisation manages operations and monitors the information security management system;
- Resolution of non-conformities/implementation of areas for improvement: the organisation resolves any non-conformities identified when monitoring the information security management system and/or implements actions to improve the security posture.

The ERG Group ISMS (Information Security Management System) is designed to face the challenges of the sector and to facilitate the fulfilment and compliance process envisaged by the recently issued regulations (note that the NIS2 directive, transposed in Italy at the end of 2024, does not provide for any form of exemption or guarantee, even in the presence of ISO certification). The ISMS guarantees the confidentiality, integrity and availability of relevant information. The main objective is to ensure that threats are managed proactively, protecting both company information and the control systems of "critical" infrastructures.

CERTIFICATION IN IT (EU PERIMETER)

The ERG approach to artificial intelligence

The Group's approach to Artificial Intelligence (AI) varies depending on the type of AI, which can be categorized as follows:

- "classic" AI, which includes neural networks, deep learning and machine learning, voice recognition and machine translation systems, robotics, etc;
- "generative" AI, increasingly attracting the attention of stakeholders: more recent and rapidly developing, it has undergone regulatory changes at national and European level.

Regarding classic AI, the Group has adopted tools in its processes and methods aimed at improving operational and financial results for years now, in particular through production forecasting and predictive maintenance systems on production plants, based on machine learning.

With reference to generative AI, ERG has initiated a structured pathway to analyse and manage the topic.In this context, in 2025, an internal cross-functional Working Group - Business and Staff - was set up which::

- defined a proposal for a "Policy for the Adoption and Use of Artificial Intelligence-based Tools";
- prepared a mapping of possible use cases of generative artificial intelligence in business processes;
- defined an order of merit of the mapped use cases, and a proposal for experiments to be implemented on those considered priorities.

The Policy was prepared with the aim of defining principles and rules of conduct to be followed when adopting AI systems, protecting the organisation and its people from the risks inherent in such technologies.

It has taken the principles of the Group's Code of Ethics, the indications of the reference regulations at European level (AI Act and GDPR) and the ISO 27001/ISO 27019 certifications, regulating the following aspects:

- Anthropocentrism and reliability;
- Transparency and accountability;
- Fairness and equity;
- Respect for privacy and data protection - cybersecurity;
- Confidentiality of information;
- Training and education;
- Criteria for classifying AI systems according to a risk level approach;
- Rules of management and behaviour based on the classification of systems.

In addition, as part of the 2026 budget, ERG approved an allocation for experiments selected by the Working Group for the effective adoption of generative AI systems and tools. The projects will be monitored during the year by the ICT & Digital Committee, and will come into full operation when they are found useful in relation to the company's needs and objectives, and will also adapt the staff training processes and programmes accordingly, which are currently focused on general aspects of the subject.

Tax Strategy

The Tax Strategy did not change in 2025 compared to what was approved by the Board of Directors of ERG S.p.A. on 10 November 2020. The text is available on the site www.erg.eu.

As with the Group's Code of Ethics, the ERG Group Tax Strategy is inspired by the principles of legality, correctness, transparency, honesty, integrity, safeguarding of the company's assets and creation of sustainable value for shareholders over the medium/long-term.

More specifically, the ERG Group Tax Strategy seeks to:
- guarantee the correct and prompt calculation and payment of taxes due by law and the fulfilment of connected obligations (tax compliance);
- mitigate tax risk, understood as the risk of infringing tax regulations or abusing the principles and purposes of tax legislation (abuse of rights).

Tax Governance, Risk Control and Management

The Tax Control Framework (TCF) is an objective in the Group ESG Plan. It is an internal audit system for tax risk, namely the set of rules, procedures, organisational structures and measures aimed at allowing an effective recording, measurement, management and control of tax risk. In particular, the TCF has been adopted and implemented as follows:
- from 1 January 2021 by ERG S.p.A. and its Italian subsidiaries;
- from 1 January 2023 by the French companies of the Group;
- from 1 January 2024 by the German companies of the Group.

The TCF is governed by specific regulations that, in addition to defining the governance rules, is based on the following key elements:
- a Risk & Control Matrix which describes the tax risks potentially applicable to company processes relevant for tax purposes and the relative risk mitigation controls in place;
- a system of data flows between the Tax organisational unit and the Group's other organisational units;
- a system of information flows between the foreign subsidiaries and the Tax organisational unit ;
- a process of periodic updating and monitoring of the adequacy and effective application of the TCF;
- a process of periodic reporting to the Control, Risk and Sustainability Committee containing the results of the updates and monitoring activities carried out.

The CFO is responsible for the implementation and operation of the TCF and is in charge of ensuring the update and monitoring of the TCF, as well as drawing up an Annual Report.
The following are therefore prepared annually:
- plan for the testing, monitoring and assessment activities of the Tax Control Framework;
- Annual Report, preliminarily shared and analysed within the Tax Control Framework Committee (see below) and subsequently submitted for examination and opinion to the Control, Risk and Sustainability Committee.

As part of the Tax Control Framework, an additional management assurance/control mechanism is envisaged to strengthen the Control System. In particular, a Tax Control Framework Committee with mixed competences was established:
- it performs preliminary analyses and provides specific recommendations on the testing, monitoring and assessment activities of the TCF;
- it analyses the annual report in advance, providing any specific recommendations;
- it monitors the actual implementation of the improvement plan for any shortcomings resulting from the testing, monitoring and evaluation of the TCF.

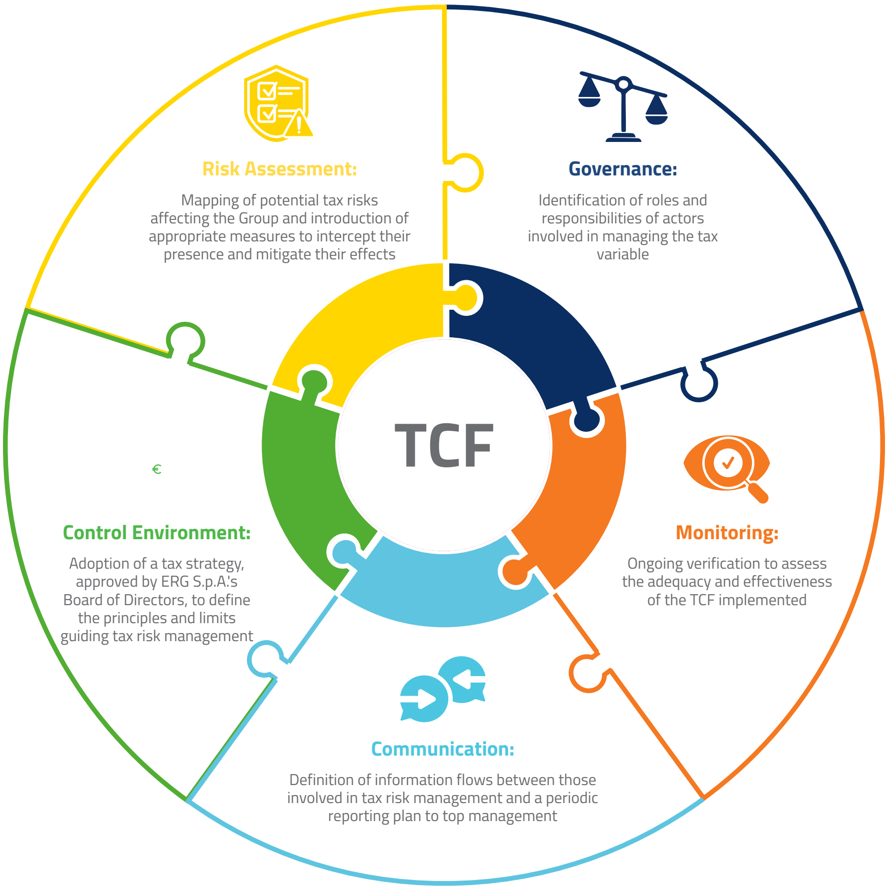
In addition, ERG makes the whistleblowing channel available to anyone who wants to report a critical issue
about unethical or unlawful conduct, or activities that compromise the integrity of the organisation in relation to taxes. The channel guarantees the confidentiality of the identity of the whistleblower and the content of the report[45].

Stakeholder engagement on tax matters

The ERG Group, even during audits by the competent authorities relative to companies of the Group or third parties, establishes and maintains a transparent and collaborative relationship focused on dialogue with the relative tax authorities, ensuring that the latter fully comprehend the company events underlying the application of tax laws.

45 Please see the section on Whistleblowing.

TAX CONTROL FRAMEWORK (TCF)



Taxes country by country[46]

ITALY

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	504	496
Revenue from third-party sales	€M	725	901
Revenue from intra-group transactions with other tax jurisdictions	€M	75	87
Pre-tax profit (loss)	€M	342	349
Property, plant and equipment other than cash and cash equivalents	€M	1153	1163
Corporate income taxes paid on a cash basis (2)	€M	48	52
Corporate income tax accrued on profit/loss (current year)	€M	47	42
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	The main differences are in the deduction of non-deductible interest expenses of previous years	

(1) the item number of employees refers to the workforce by company
(2) note on cash criterion:
- a) 2025: the item Corporate income taxes paid in Italy on a cash basis, gross of offsets made with other tax credits (equal to approximately EUR 8.2 million), includes withholding taxes incurred (equal to approximately EUR 7.5 million)
- b) 2024: the item Corporate income taxes paid in Italy on a cash basis, gross of offsets made with other tax credits (equal to approximately EUR 35.3 million), includes withholding taxes incurred (equal to approximately EUR 6.4 million)

46 According to GRI 207-4

GERMANY

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees [1]	no.	43	38
Revenue from third-party sales	€M	36	60
Revenue from intra-group transactions with other tax jurisdictions	€M	6	0
Pre-tax profit (loss)	€M	3	0
Property, plant and equipment other than cash and cash equivalents	€M	125	105
Corporate income taxes paid on a cash basis [2]	€M	11	12
Corporate income tax accrued on profit/loss (current year)	€M	0	1
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

FRANCE

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees [1]	no.	91	95
Revenue from third-party sales	€M	115	139
Revenue from intra-group transactions with other tax jurisdictions	€M	7	1
Pre-tax profit (loss)	€M	6	6
Property, plant and equipment other than cash and cash equivalents	€M	397	427
Corporate income taxes paid on a cash basis [2]	€M	6	11
Corporate income tax accrued on profit/loss (current year)	€M	4	1
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

UNITED KINGDOM

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	16	15
Revenue from third-party sales	€M	73	92
Revenue from intra-group transactions with other tax jurisdictions	€M	1	3
Pre-tax profit (loss)	€M	28	19
Property, plant and equipment other than cash and cash equivalents	€M	474	394
Corporate income taxes paid on a cash basis (2)	€M	7	0
Corporate income tax accrued on profit/loss (current year)	€M	5	7
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

BULGARIA

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	1	1
Revenue from third-party sales	€M	15	15
Revenue from intra-group transactions with other tax jurisdictions	€M	0	1
Pre-tax profit (loss)	€M	5	2
Property, plant and equipment other than cash and cash equivalents	€M	18	22
Corporate income taxes paid on a cash basis (2)	€M	(1)	2
Corporate income tax accrued on profit/loss (current year)	€M	1	0
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

POLAND

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	5	4
Revenue from third-party sales	€M	51	41
Revenue from intra-group transactions with other tax jurisdictions	€M	0	0
Pre-tax profit (loss)	€M	9	9
Property, plant and equipment other than cash and cash equivalents	€M	152	159
Corporate income taxes paid on a cash basis (2)	€M	2	2
Corporate income tax accrued on profit/loss (current year)	€M	2	2
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

ROMANIA

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	4	4
Revenue from third-party sales	€M	21	22
Revenue from intra-group transactions with other tax jurisdictions	€M	0	0
Pre-tax profit (loss)	€M	12	14
Property, plant and equipment other than cash and cash equivalents	€M	35	40
Corporate income taxes paid on a cash basis (2)	€M	2	2
Corporate income tax accrued on profit/loss (current year)	€M	2	2
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

SPAIN

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	8	7
Revenue from third-party sales	€M	18	24
Revenue from intra-group transactions with other tax jurisdictions	€M	8	7
Pre-tax profit (loss)	€M	(9)	(4)
Property, plant and equipment other than cash and cash equivalents	€M	184	194
Corporate income taxes paid on a cash basis (2)	€M	1	0
Corporate income tax accrued on profit/loss (current year)	€M	(1)	0
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

SWEDEN

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees (1)	no.	-	-
Revenue from third-party sales	€M	19	19
Revenue from intra-group transactions with other tax jurisdictions	€M	0	0
Pre-tax profit (loss)	€M	5	(3)
Property, plant and equipment other than cash and cash equivalents	€M	68	67
Corporate income taxes paid on a cash basis (2)	€M	-	-
Corporate income tax accrued on profit/loss (current year)	€M	-	(0)
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

USA

	Uom	2025	2024
Names of resident entities	Text	See the Directors' Report - Full consolidation scope	
Primary activities of the organisation	Text	Electricity generated from renewable sources - Wind and Solar	
Number of employees [1]	no.	-	-
Revenue from third-party sales	€M	56	38
Revenue from intra-group transactions with other tax jurisdictions	€M	-	-
Pre-tax profit (loss)	€M	36	19
Property, plant and equipment other than cash and cash equivalents	€M	395	463
Corporate income taxes paid on a cash basis [2]	€M	-	-
Corporate income tax accrued on profit/loss (current year)	€M	-	4
Reasons for the difference between the corporate income tax accrued on profit/loss and the tax due, if the statutory tax rate is applied on pre-tax profit/loss	Text	No significant differences	

(1) the item number of employees refers to the workforce by company

GARRONE FOUNDATION

In 2025 the Edoardo Garrone Foundation continued its mission, reshaping the philanthropic commitment of the Garrone and Mondini families. Training is still the central calling and commitment of the Foundation: through quality training projects, the FEG promotes authentic experiences of active and responsible citizenship, from primary to secondary school, up to the incubation and acceleration paths for the creation and consolidation of new sustainable enterprises. This is complemented by a constant focus on culture and continuous work focused on connection with the territory.

Initiatives arise from careful listening and stable dialogue with local communities and partners in order to respond to social and cultural challenges. Systematic monitoring accompanies each action and supports the development of the project, with the aim of strengthening the involvement of the young target groups and their role.

The FEG also contributes to the growth of an increasingly cohesive and competent national philanthropic network. The Edoardo Garrone Foundation is enrolled in RUNTS (Italian Third Sector Registry) and is a member of Assifero, of which Francesca Campora, Director General of the Foundation, was appointed Executive Vice President. The FEG is also a member of Symbola Foundation and is part of the editorial board of VITA, a platform serving the Third Sector, social innovation and civic activism.

Sowing the future

In 2025, the Edoardo Garrone Foundation celebrates 20 years of activity with "Venti e oltre" [Twenty and beyond], a three-day event open to the city. Amidst the Luzzati Gardens, Teatro della Tosse and Palazzo Ambrogio di Negro in Banchi, the Foundation's headquarters, a free programme of meetings, institutional moments, performances and art workshops for children and young people took place from 15 to 17 May 2025. It was an opportunity to share visions, results and new perspectives with the Genoa area, partners and project protagonists.

Appennino® project

Integrates training and consulting activities, combining incubation, acceleration and network workshops dedicated to mountain enterprises. Each edition involves a different Apennine territory, contributing to strengthening the local economic fabric and development and valorisation strategies.
The fifth edition was held in 2025, promoted by the Edoardo Garrone Foundation in collaboration with the Municipality of Castel del Giudice and a broad local partnership.
The Project includes three initiatives: the RESTARTAPP® Campus for aspiring young entrepreneurs under 40 with business projects or start-ups in the mountain economy supply chains; VITAMINE IN AZIENDA®, an acceleration path for local companies already in operation; IMPRESE IN RETE®, a workshop for networking among companies.

Restartapp®

The 2025 edition of RESTARTAPP® took place in Castel del Giudice (IS) from June to October and involved seven young people under 40 with innovative business ideas and start-ups in the Apennine production chains: agriculture, breeding, agribusiness, forest management, tourism, handicrafts, culture, manufacturing and services.
In the 10 weeks of training (eight in-person and 2 remote), the participants consolidated skills for business start-ups in mountain areas and developed the Business Plan based on their idea thanks to classroom activities, business workshops, testimonials and success stories.
The Edoardo Garrone Foundation is offering three non-repayable start-up grants worth a total of EUR 60,000, awarded to the best projects selected by an Evaluation Committee. The first grant of the 2024 edition was awarded to Rocco di Mambro for "Bottega di comunità H24", which provides vending machines in small villages to guarantee 24-hour access to basic necessities and typical products. The second grant went to "Molishere" by Arianna De Lisa, dedicated to the production of cosmetics from Molise's apple waste. The third grant was awarded to Mariapia Muccigrosso with "Immersitaly", which proposes immersive cultural tourism experiences with communities as the protagonists of a collective narrative.

Vitamine in azienda® and imprese in rete®

PROJECT APPENNINO® 2025 also included VITAMINE IN AZIENDA® and IMPRESE IN RETE®, dedicated to local companies already in operation.
VITAMINE IN AZIENDA® involved 15 companies selected through a call for ideas for growth potential and motivation. The programme included seven individual and three collective meetings, with consultancy on organisation and processes, economic data analysis, goal setting and marketing.
IMPRESE IN RETE® supported the creation of two networks: one for social and health services in the Agnone, Capracotta and Castel del Giudice areas, aimed at developing an integrated proximity system to complement the public one, and a network in Castel del Giudice dedicated to coordinating and strengthening the impact of four local businesses towards a shared social and cultural infrastructure.

Appenninolab

In 2025 the AppenninoLab project focused on the Municipality of Campo Ligure and involved six third and fourth-year classes of secondary schools in the Metropolitan City of Genoa. During the school year, the students created content for the municipal website and a wooden piece of art that is now on display in the Castle grounds.
The programme continued over five months of activities including on-site and classroom meetings, accompanied by nationally prominent mentors. It ended with the fifth "Apennine Day", organised by the students themselves as a moment of giving back and celebration for the community.

Tra le righe

Tra le righe [Between the Lines] was created in collaboration with the magazine Andersen and the Sarvego Festival to offer primary and secondary school students a pathway for enjoying and producing literature on topics related to sustainability and active and responsible citizenship.
The students of 12 Genoese classes were led by authors and illustrators and explored the languages of children's literature, creating new content and creatively sharing emotions and ideas. The project included training seminars for teachers, curated by experts from the magazine Andersen. The programme ended with the classes' participation in the Sarvego Festival, an initiative dedicated to children's literature in the villages of Val Borbera.

Lo spettacolo siamo noi

In 2025, the third edition of "Lo spettacolo siamo noi" [We are the show] was carried out; the project recognises theatre as an effective tool for civic education and active, responsible citizenship. The programme faces the themes of sustainable development and the principles of equity, freedom and respect underlying the Italian Constitution, covering the 33 hours of Civic Education scheduled in schools according to the guidelines of the Ministry of Education. Consisting of 11 meetings and 33 hours of training led by expert tutors, the course involved 24 classes of schools of all levels in the Genoa area. The students thus became authors: they worked on writing and staging plays, performed at the end of the school year by professional actors.

Arcipelago lettori

2025 marked the start of Arcipelago Lettori [Readers' Archipelago], the event created by the Edoardo Garrone Foundation that transforms buildings, museums and churches into reading islands. Each meeting weaves together books, places and people and is led by three voices: the bookseller, the reader and the place itself, composing a collective tale of words, architecture and stories.
The theme of 2025 is "The passenger". After the inaugural event at Palazzo Ambrogio di Negro (21 September), the exhibition continued at the Museo d'Arte Orientale E. Chiossone (16 October) and at the Church of Santa Maria di Castello (13 November), offering an opportunity to rediscover Genoa through reading and experiencing places.

GROUP INDICATORS

TECHNOLOGY AGGREGATION - GROUP

Consumption and emissions	Uom	2025	2024
Total installed power	MW	3,974	3,845
Total electricity production	GWh	7,241	6,959
Of which from renewable energy sources	GWh	7,241	6,959
Revenue (€M)	€M	752	738
CO_2 avoided	$KtCO_2$	2,513	2,401
Total energy consumption	GWh	30	29
of which electricity from green sources (from third parties)	GWh	28	28
of which electricity from green sources (self-generated) (1)	GWh	2	-
% green energy consumption	%	99%	97%
SF6 top-ups (2)	Kg	11	3
SF6 Emissions (2)	tCO_2	266	79
Scope 1 emissions	tCO_2	1,338	1,118
Scope 2 emissions (MB) (3)	tCO_2	34	242
Scope 2 emissions (LB) (4)	tCO_2	8,510	8,263
Scope 3 emissions (5)	tCO_2	107,735	208,313
Total Emissions (MB)	tCO_2	109,107	209,672
Carbon index	$grCO_2e/kWh$	15.1	30.1
Waste			
Outgoing resource flows (6)	t	712	2,515
Total waste not sent for disposal (recovery)	t	597	2,330
Total waste recovered %	%	84%	93%
HAZARDOUS waste PRODUCED	t	78	118
Hazardous waste not sent for disposal	t	48	77
Hazardous waste sent for disposal	t	30	42
NON-HAZARDOUS waste PRODUCED (7)	t	634	2,397
Non-hazardous waste not sent for disposal (recovery)	t	549	2,254
Non-hazardous waste sent for disposal	t	85	143

(1) Passage of Resolution 109 - renewable assets Italy.
(2) Increased top-ups due to increased maintenance activities.
(3) The figure decreased compared to the previous year due to the growing coverage of consumption with green energy. Market-based emissions are calculated on the basis of the national residual mix published by AIB (Association of Issuing Bodies).
(4) Location-based emissions are calculated on the basis of emission factors for domestic electricity production alone published by the IEA (International Energy Agency).
(5) Reduction compared to 2024 due to lower investments and less incremental capacity (MW) developed in the financial year.
(6) Reduction of waste due, in solar, to less panel delivery to consortia (for repowering) and in wind to less environmental events such as fires.
(7) Non-hazardous waste sent for recycling accounts for 77% of the total, while 12% is sent for disposal.

TECHNOLOGY AGGREGATION - WIND

Consumption and emissions[1]	Uom	2025	2024
Total installed power	MW	3,296	3,184
Production	GWh	6,216	5,993
Revenue (€M)	€M	608	600
CO_2 avoided	$KtCO_2$	2,141	2,050
Total energy consumption	GWh	24	23
of which electricity from green sources (from third parties)	GWh	22	23
of which electricity from green sources (self-generated)[2]	GWh	2	-
% green energy consumption	%	99%	99%
SF6 top-ups[3]	Kg	11	3
SF6 Emissions[3]	tCO_2	266	79
Scope 1 emissions	tCO_2	1,338	1,118
Scope 2 emissions (MB)[4]	tCO_2	32	11
Scope 2 emissions (LB)[5]	tCO_2	7,029	6,764
Scope 3 emissions	tCO_2	89,950	188,438
Total Emissions (MB)	tCO_2	91,320	189,567
Carbon index	$grCO_2e/kWh$	14.7	31.6
Waste			
Outgoing resource flows[6]	t	458	842
Total waste not sent for disposal (recovery)	t	343	657
Total waste recovered %	%	75%	78%
HAZARDOUS waste PRODUCED	t	78	118
Hazardous waste not sent for disposal	t	48	77
Hazardous waste sent for disposal	t	30	42
NON-HAZARDOUS waste PRODUCED	t	380	724
Non-hazardous waste not sent for disposal (recovery)	t	295	581
Non-hazardous waste sent for disposal	t	85	143

(1) Reclassification in the Wind perimeter of the "Headquarters and Offices" component for 2024.
(2) Passage of Resolution 109 - renewable assets Italy.
(3) Increased top-ups due to increased maintenance activities.
(4) The figure decreased compared to the previous year due to the growing coverage of consumption with green energy. Market-based emissions are calculated on the basis of the national residual mix published by AIB (Association of Issuing Bodies).
(5) Location-based emissions are calculated on the basis of emission factors for domestic electricity production alone published by the IEA (International Energy Agency).
(6)Decreased waste disposal due to fewer environmental events such.

TECHNOLOGY AGGREGATION - SOLAR

Consumption and emissions	Uom	2025	2024
Total installed power	MW	666	661
Production	GWh	1,026	966
Revenue (€M)	€M	145	138
CO_2 avoided	KtCO2	372	351
Total energy consumption	GWh	6	6
of which electricity from green sources (from third parties)	GWh	6	5
of which electricity from green sources (self-generated) (1)	GWh	0	-
% green energy consumption	%	100%	86%
SF6 top-ups	Kg	-	-
SF6 Emissions	tCO2	-	-
Scope 1 emissions	tCO2	-	-
Scope 2 emissions (MB) (2)	tCO2	1	230
Scope 2 emissions (LB) (3)	tCO2	1,443	1,499
Scope 3 emissions	tCO2	9,375	19,875
Total Emissions (MB)	tCO2	9,376	20,105
Carbon index	grCO2e/kWh	9.1	20.8
Waste			
Outgoing resource flows (4)	t	254	1,673
Total waste not sent for disposal (recovery)	t	254	1,673
Total waste recovered %	%	100%	100%
HAZARDOUS waste PRODUCED	t	0	-
Hazardous waste not sent for disposal	t	0	-
Hazardous waste sent for disposal	t	-	-
NON-HAZARDOUS waste PRODUCED	t	254	1,673
Non-hazardous waste not sent for disposal (recovery)	t	254	1,673
Non-hazardous waste sent for disposal	t	0	-

(1) Passage of Resolution 109 for renewable assets in Italy.
(2) The figure decreased compared to the previous year due to the growing coverage of consumption with green energy. Market-based emissions are calculated on the basis of the national residual mix published by AIB (Association of Issuing Bodies).
(3) Location-based emissions are calculated on the basis of emission factors for domestic electricity production alone published by the IEA (International Energy Agency).
(4) Decreased waste due to fewer solar repowering activities carried out on plants during the year.

AGGREGATION TECHNOLOGIES - BATTERIES

Consumption and emissions	Uom	2025	2024
Total installed power	MW	13	n.a.
Revenue (€M)	€M	-	n.a
Total energy consumption	GWh	0	n.a
of which electricity from green sources (from third parties)	GWh	-	n.a
of which electricity from green sources (self-generated) (1)	GWh	0	n.a
% green energy consumption	%	100%	n.a
SF6 top-ups	Kg	-	n.a
SF6 Emissions	tCO_2	-	n.a
Scope 1 emissions	tCO_2	-	n.a
Scope 2 emissions (MB)	tCO_2	-	n.a
Scope 2 emissions (LB) (2)	tCO_2	38	n.a
Scope 3 emissions	tCO_2	8,410	n.a
Total Emissions (MB)	tCO_2	8,410	n.a
Waste			
Outgoing resource flows	t	-	n.a
Total waste not sent for disposal (recovery)	t	-	n.a
Total waste recovered %	%	-	n.a
HAZARDOUS waste PRODUCED	t	-	n.a
Hazardous waste not sent for disposal	t	-	n.a
Hazardous waste sent for disposal	t	-	n.a
NON-HAZARDOUS waste PRODUCED	t	-	n.a
Non-hazardous waste not sent for disposal (recovery)	t	-	n.a
Non-hazardous waste sent for disposal	t	-	n.a

(1) Passage of Resolution 109 - renewable assets Italy.
(2) Location-based emissions are calculated on the basis of emission factors for domestic electricity production alone published by the IEA (International Energy Agency).

TOTAL WORK-RELATED INJURIES (internal + third parties)

	Uom	2025	2024
Working days lost	no.	174	283
Number of injuries	no.	7	5
Number of severe injuries	no.	1	3
Hours worked	h	1,876,932	2,006,389
Severity index (1)	no.	0.09	0.14
Frequency Index (FI or LTIFR) (2)	no.	3.73	2.49
Severe Frequency Index (FI sev or LTIFR sev) (3)	no.	0.53	1.50
Fatalities	no.	0	-
Near misses	no.	55	43

(1) Severity index calculated as (no. of days lost x 1,000)/no. hours worked
(2) Frequency index calculated as (no. of injuries x 1,000,000)/no. hours worked
(3) Severe frequency index calculated as (no. of severe injuries x 1,000,000)/no. hours worked

FIELD INSPECTIONS/AUDITS

	Uom	2025	2024
Field inspections on construction sites	no.	933	1,462
Field inspections on contractors	no.	228	216
Internal field inspections	no.	764	512
Management system audits	no.	31	24
Total	**no.**	**1,956**	**2,214**

OTHER INDICATORS

	Uom	2025	2024
NOx emissions (1)	t	-	-
SOx emissions (1)	t	-	-
PM (1)	μg/m³	-	-
Water Consumption (2)	m3	0	0
Water withdrawals in the production process	m3	62	62
Water discharges downstream of the production process	m3	62	62
Areas subject to water stress (3)	m2	n.a	n.a

Erg at group level:
1) does not emit Nox; Sox; PM.
2) does not consume water; the only water used is the water needed to wash the panels, which is demineralised, purchased from third parties, and returns to the cycle; there is no discharge of waste water.
3) does not consume water in its production processes, therefore, there is no impact in the areas where the group operates and no management activities are required in this regard. There are therefore no targets for reducing water use.

COMPLIANCE WITH LAWS AND REGULATIONS

	Uom	2025	2024
Number of significant cases of non-compliance with laws and regulations	no.	-	-
of which number of cases for which fines were incurred	no.	-	-
of which number of cases for which non-monetary sanctions were incurred	no.	-	-
Number of fines for cases of non-compliance with laws and regulations paid during the reference period	no.	-	-
of which fines received in the current reporting period	no.	-	-
of which fines received in previous reporting periods	no.	-	-
Monetary value of fines for cases of non-compliance with laws and regulations paid during the reference period	k€	-	-
of which value of fines received in the current reporting period	k€	-	-
of which value of fines received in previous reporting periods	k€	-	-
Number of data breaches recorded during the year	no.	-	-
Number of data breaches recorded to date	no.	-	-
Number of environmental violations during the year	no.	-	-
Monetary value of fines for cases of environmental non-compliance	k€	-	-

CASES RECORDED

	Uom	2025	2024
Incidents of discrimination and corrective actions taken	no.	-	-
Confirmed incidents of corruption and actions taken	no.	-	-
Cases of money laundering	no.	-	-
Cases of insider trading	no.	-	-
Cases of conflict of interest	no.	-	-
Cases of violation of human rights	no.	-	-

ANNEXES

EU Taxonomy

Proportion of turnover, capex, opex from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities – disclosure covering year 2025 (summary kpis)

Financial year 2025

KPI	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous financial year (2024)	Proportion of Taxonomy aligned activities in previous financial year (2024)
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity					
	€/000	%	€/000	%	%	%	%	%	%	%	%	%	%	€/000	%
Turnover	733,549	100	733,549	100	100	0	0	0	0	0	0	0	0	730,400	100
CapEx	231,690	100	231,690	100	100	0	0	0	0	0	3	0	0	511,500	100
OpEx	83,092	100	83,092	100	100	0	0	0	0	0	0	0	0	79,200	100

Proportion of turnover, capex, opex from products or services associated with taxonomy-eligible or taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI - Turnover
Financial year 2025

Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover)	Taxonomy aligned KPI (monetary value of Turnover)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
		%	€/000	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	CCM 4.1	19	140,693	19	19	0	0	0	0	0	-	-	19
Electricity generation from wind power	CCM 4.3	81	592,855	81	81	0	0	0	0	0	-	-	81
Sum of alignment per objective					**100**	**0**	**0**	**0**	**0**	**0**			
Total KPI (Turnover)		**100**	**733,549**	**100**	**100**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**100**

Reported KPI - CapEx
Financial year 2025

Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx)	Taxonomy aligned KPI (monetary value of CapEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
		%	€/000	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	CCM 4.1	3	5,874	3	3	0	0	0	0	0	-	-	3
Electricity generation from wind power	CCM 4.3	94	217,840	94	94	0	0	0	0	0	-	-	94
Storage of electricity	CCM 4.10	3	7,976	3	3	0	0	0	0	0	E	-	3
Sum of alignment per objective					**100**	**0**	**0**	**0**	**0**	**0**			
Total KPI (CapEx)		**100**	**231,690**	**100**	**100**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**100**

Reported KPI - OpEx
Financial year 2025

Economic Activities	Code	Taxonomy eligible KPI (Proportion of Taxonomy eligible OpEx)	Taxonomy aligned KPI (monetary value of / OpEx)	Taxonomy aligned KPI (Proportion of Taxonomy aligned OpEx)	Environmental objective of Taxonomy aligned activities						Enabling activity	Transitional activity	Proportion of Taxonomy aligned in Taxonomy eligible
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity			
		%	€/000	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Electricity generation using solar photovoltaic technology	CCM 4.1	11	8,759	11	11	0	0	0	0	0	-	-	11
Electricity generation from wind power	CCM 4.3	89	74,332	89	89	0	0	0	0	0	-	-	89
Sum of alignment per objective					**100**	**0**	**0**	**0**	**0**	**0**			
Total KPI (OpEx)		**100**	**83,092**	**100**	**100**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**100**

ESRS Content index

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ESRS 2 SBM-3 ESRS E4	Material impacts, risks and opportunities and their interaction with strategy and business model	GOV-5 IRO-1 SBM-3 - Double Materiality	96-101
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	ICT	GOV-5 IRO-1 SBM-3 - Double Materiality ICT - Information systems security management GOV-3 Sustainability performance in incentive systems	96-101; 182-185; 94-95
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For the correspondence between GRI and ESRS, please refer to: esrs-gri-interoperability-index-november-2024.pdf

Appendix B ESRS 2: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation (as specified in Appendix B of ESRS 2).

Disclosure Requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation[3] reference	EU Climate Law [4] reference	Section
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 [5], Annex II		GOV-1 GOV-2 The Governance System
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		GOV-1 GOV-2 The Governance System
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				GOV-4 The Due Diligence Process of the ERG Group Anti-corruption: the commitment to ethical integrity
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 [6] Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		n.a
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		n.a
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 [7], Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n.a
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		n.a
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	E1-1 E1-2 E1-3 E1-4 Transition Plan, Policies, Actions and Targets
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		E1-1 E1-2 E1-3 E1-4 Transition Plan, Policies, Actions and Targets

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation(3) reference	EU Climate Law (4) reference	Section
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		E1-1 E1-2 E1-3 E1-4 Transition Plan, Policies, Actions and Targets E1-6 Emissions Gov-3 Sustainability performance in incentive systems
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				n.a
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				E1-5 Renewable energy consumption
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				n.a
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		E1-6 Emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		E1-6 Emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	n.a

Disclosure Requirement and related datapoint	SFDR (1) reference	Pillar 3 (2) reference	Benchmark Regulation(3) reference	EU Climate Law (4) reference	Section
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Climate change risk management (tcfd framework) E1 9 Anticipated financial effects from material physical and transition risks and climate-related opportunities
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Climate change risk management (tcfd framework) E1 9 Anticipated financial effects from material physical and transition risks and climate-related opportunities
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Phase in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Climate change risk management (tcfd framework) E1 9 Anticipated financial effects from material physical and transition risks and climate-related opportunities
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				n.a
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				n.a
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				n.a
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				n.a

Disclosure Requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation[3] reference	EU Climate Law [4] reference	Section
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				n.a
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				n.a
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				n.a
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				n.a
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				n.a
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				n.a
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				n.a
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				BP 2 Sustainability policies E4-1 E4-2, E4-3, E4-4 Operating with respect for the environment and biodiversity
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				E5-5 Towards circular waste management
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				E5-5 Towards circular waste management
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				GOV-5 IRO-1 SBM-3 - Double Materiality
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				GOV-5 IRO-1 SBM-3 - Double Materiality
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				BP 2 Sustainability policies S1-1 S1- 5 Strategies, Policies, Actions and Targets
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		BP 2 Sustainability policies S1-1 S1- 5 Strategies, Policies, Actions and Targets

Disclosure Requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation[3] reference	EU Climate Law [4] reference	Section
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				BP 2 Sustainability policies S1-1 S1- 5 Strategies, Policies, Actions and Targets
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				BP 2 Sustainability policies S1-1 S1- 5 Strategies, Policies, Actions and Targets S1-14 Protection of health and safety
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				S1-2 S1-3 People engagement S1-2 Trade union and workers' representatives S1-17 Whistleblowing
ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1-14 Protection of health and safety
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				S1-14 Protection of health and safety
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		S1-16 Gender Pay Gap
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				S1-16 Gender Pay Gap
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				S1-17 Whistleblowing
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		S1-17 Whistleblowing
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				GOV-5 IRO-1 SBM-3 - Double Materiality

Disclosure Requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation[3] reference	EU Climate Law [4] reference	Section
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				BP 2 Sustainability policies S2-1 S2-2 S2-3 S2-4 S2-5 - Strategies, Policies, Actions and Targets related to workers in the value chain
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				BP 2 Sustainability policies S2-1 S2-2 S2-3 S2-4 S2-5 - Strategies, Policies, Actions and Targets related to workers in the value chain
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		BP 2 Sustainability policies S2-1 S2-2 S2-3 S2-4 S2-5 - Strategies, Policies, Actions and Targets related to workers in the value chain S1-17 Whistleblowing
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		BP 2 Sustainability policies S2-1 S2-2 S2-3 S2-4 S2-5 - Strategies, Policies, Actions and Targets related to workers in the value chain S1-17 Whistleblowing
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				BP 2 Sustainability policies S2-1 S2-2 S2-3 S2-4 S2-5 - Strategies, Policies, Actions and Targets related to workers in the value chain S1-17 Whistleblowing
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				BP 2 Sustainability policies S3-1 S3-3 S3-4 S3-5 Policies, Actions, Targets and management of impacts relating to the affected communities
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		BP 2 Sustainability policies S1-17 Whistleblowing
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				BP 2 Sustainability policies S1-17 Whistleblowing
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				BP 2 Sustainability policies S4-1 S4-2 S4-3 S4-4 S4-5 Policies, strategies, targets related to customers
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		BP 2 Sustainability policies S4-1 S4-2 S4-3 S4-4 S4-5 Policies, strategies, targets related to customers

Disclosure Requirement and related datapoint	SFDR [1] reference	Pillar 3 [2] reference	Benchmark Regulation[3] reference	EU Climate Law [4] reference	Section
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				BP 2 Sustainability policies S4-1 S4-2 S4-3 S4-4 S4-5 Policies, strategies, targets related to customers S1-17 Whistleblowing
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				BP 2 Sustainability policies G1-1 G1-3 G1-4 Corporate culture and business conduct policies and targets Gov-4 The due diligence process of the ERG group Anti-corruption: the commitment to ethical integrity
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				S1-17 Whistleblowing
ESRS G1-4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		BP 2 Sustainability policies Anti-corruption: the commitment to ethical integrity
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				BP 2 Sustainability policies Anti-corruption: the commitment to ethical integrity

(1) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).

(2) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).

(3) Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

(4) Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

(5) Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

(6) Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324,19.12.2022, p.1.).

(7) Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17)

STATEMENT ON THE SUSTAINABILITY REPORTING

In accordance with article 81-*ter*, paragraph 1, of consob regulation no. 11971 dated 14 may 1999, as amended

The undersigned Paolo Luigi Merli, Chief Executive Officer of ERG S.p.A., and Michele Pedemonte, Manager responsible for preparing the financial reports of ERG S.p.A., pursuant to Article 154-bis, paragraph 5-ter, of Italian Legislative Decree no. 58 of 24 February 1998, state that the sustainability reporting included in the Director's Report was prepared:

- in accordance with the reporting standards applied pursuant to Directive no. 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Italian Legislative Decree no. 125 of 6 September 2024;
- with the specifications adopted pursuant to Article 8, paragraph 4 of Regulation (EU) no. 2020/852 of the European Parliament and of the Council of 18 June 2020

Genoa, 11 march 2026

The Chief Executive Officer

Paolo Luigi Merli

The Manager responsible
for preparing the company's
financial reports

Michele Pedemonte

INDEPENDENT AUDITORS' REPORT

KPMG S.p.A.
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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

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
ERG S.p.A.

Conclusion

Pursuant to articles 8 and 18.1 of Legislative decree no. 125 of 6 September 2024 (the "decree"), we have been engaged to perform a limited assurance engagement on the 2025 consolidated sustainability statement of the ERG Group (the "group") prepared in accordance with article 4 of the decree, presented in the specific section of the directors' report (the "consolidated sustainability statement").

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the group's 2025 consolidated sustainability statement has not been prepared, in all material respects, in accordance with the reporting standards endorsed by the European Commission pursuant to Directive 2013/34/EU (the European Sustainability Reporting Standards, "ESRS");
- the information presented in "The European Taxonomy" section of the consolidated sustainability statement has not been prepared, in all material respects, in accordance with article 8 of Regulation (EU) 852 of 18 June 2020 (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 SSAE (Italia) are further described in the "*Auditors' responsibilities for the sustainability assurance engagement*" 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 company applies International Standard on Quality Management 1 (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.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of ERG S.p.A (the "parent") 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 "GOV-5 IRO-1 SBM-3 - Double materiality" section of the consolidated sustainability statement.

The directors are also responsible for the preparation of a consolidated sustainability statement in accordance with article 4 of the decree, which contains the information identified through the materiality assessment process, including:

- compliance with the ESRS;
- compliance of the information presented in "The European Taxonomy" 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 *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Inherent limitations in preparing the consolidated sustainability statement

For the purpose of disclosing forward-looking information in accordance with the ESRS, the directors are required to prepare such information based on assumptions, described in the consolidated sustainability statement, regarding future events and the group's actions that are not necessarily expected to occur. 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.

The disclosures provided by the group about 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 emissions information from value chain.

Auditors' responsibilities for the sustainability assurance engagement

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.

ERG Group
Independent auditors' report
31 December 2025

As part of a limited assurance engagement in accordance with SSAE (Italia), we exercise professional judgement and maintain professional scepticism 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 check 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 sustainability limited assurance engagement 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 parent'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 process adopted by the group to identify and assess material sustainability-related impacts, risks and opportunities (IROs), based on the double materiality principle. Moreover, on the basis of the information acquired, we evaluated any emerging inconsistencies that may indicate the presence of sustainability matters not addressed by the group in its materiality assessment process. Specifically, mostly through inquiries, observations and inspections, we gained an understanding of how the group:
  - considered the interests and opinions of the stakeholders involved;
  - identified its sustainability-related IROs, assessing their consistency with our knowledge of the group and its sector;
  - defined and assessed material IROs by analysing the qualitative and quantitative materiality thresholds it determined, checking their consistency with the results of the enterprise risk management (ERM) process;
- 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, including of the reporting boundary, through interviews and discussions with the group's personnel and selected procedures on documentation;
- we identified the disclosures associated with a risk of material misstatement, whether due to fraud or error. Based on our risk assessment procedures, we identified the most significant risks of material misstatement in relation to the following sustainability matter: climate change;

ERG Group
Independent auditors' report
31 December 2025

- we designed and performed procedures, based on our professional judgement, to respond to identified risks of material misstatement, including:
  - for information gathered at group level:
    - with reference to qualitative information and, in particular, the sustainability-related policies, actions and objectives, we held inquiries and performed limited procedures on documentation;
    - with reference to quantitative information, we carried out analytical procedures, inspections, observations and recalculations on a sample basis;
  - with reference to ERG S.p.A. and ERG Power Generation S.p.A., which we have selected on the basis of their business and contribution to the metrics of the consolidated sustainability statement, we held discussions with group personnel, including through remote communication tools, and obtained documentary evidence on the determination of the metrics;
- we gained an understanding of the process adopted by the group to determine taxonomy-eligible exposures and whether they were aligned under the taxonomy regulation and checked the related disclosures presented in the sustainability statement;
- we checked the consistency of the disclosures contained in the consolidated sustainability statement with those included in the group's consolidated financial statements pursuant to the applicable financial reporting framework, the underlying accounting records or management accounts;
- we checked the compliance of the structure and presentation of disclosures included in the consolidated sustainability statement with the ESRS;
- we obtained the representation letter.

Genoa, 25 March 2026

KPMG S.p.A.

(signed on the original)

Andrea Carlucci
Director of Audit

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Consolidated Financial Statements

INCOME STATEMENT(1) (2)

(EUR thousand)	Notes	2025	2024
Revenue	1	743,616	732,528
Other income	2	50,958	52,382
Purchases	3	(8,724)	(9,954)
Services and other operating costs	4	(199,516)	(192,128)
Personnel expense	5	(60,242)	(57,878)
GROSS OPERATING PROFIT		**526,093**	**524,951**
Amortisation of Intangible assets	21	(79,467)	(76,584)
Depreciation of property, plant and equipment and right-of-use assets	21	(193,325)	(186,810)
Reversals of impairment losses (impairment losses)	21	(81,186)	(10,052)
OPERATING PROFIT		**172,116**	**251,504**
Financial income	37	68,901	86,774
Financial expense	37	(114,040)	(108,914)
Net financial income (expense)		**(45,139)**	**(22,140)**
Net gains (losses) on equity-accounted investments	24	(38)	(26)
Other net gains (losses) on equity investments	24	3,973	(2,953)
Net gains (losses) on equity investments		**3,935**	**(2,979)**
PROFIT (LOSS) BEFORE TAXES		**130,912**	**226,386**
Income taxes	41	(33,483)	(34,448)
NET PROFIT FROM CONTINUING OPERATIONS		**97,429**	**191,938**
Profit (loss) from assets held for sale	45	(26,981)	(2,222)
PROFIT FOR THE YEAR		**70,448**	**189,715**
Non-controlling interests	30	5,491	2,629
PROFIT FOR THE YEAR ATTRIBUTABLE TO THE OWNERS OF THE PARENT		**64,957**	**187,087**

(EUR)	2025	2024
Basic and diluted earnings per share (3)	0.670	1.313
Basic and diluted earnings per share att. to the owners of the parent (3)	0.447	1.280
Earnings per share from assets held for sale (3)	(0.186)	(0.015)

(1) The notes commenting on individual items are an integral part of these Consolidated Financial Statements.

(2) The 2025 and 2024 figures have been reported in accordance with IFRS 5 with reference to discontinued operations in Sweden. See section **VII. Operating assets held for sale.**

(3) Calculated on the basis of the average number of shares outstanding for the year of 145,386,982 (146,215,446 in the comparative period). There were no differences between the basic and diluted earnings per share.

STATEMENT OF COMPREHENSIVE INCOME[1]

(EUR thousand)	Notes	2025	2024
Profit for the year		**70,448**	**189,715**
Changes that will not be reclassified to profit or loss			
Actuarial gains (losses)		**(219)**	**165**
Related tax		63	(46)
	13	**(156)**	**119**
Changes that will be reclassified to profit or loss			
Cash flow hedges – effective portion of the fair value change		(39,972)	(4,061)
Cash flow hedges – effective portion of the fair value change relating to assets held for sale		(3,166)	-
Related tax		12,169	1,146
	29	**(30,969)**	**(2,915)**
Change in the translation reserve		(60,144)	17,305
Change in the translation reserve relating to assets held for sale		2,870	(2,377)
	29	**(57,274)**	**14,928**
Other comprehensive income (expense) net of the tax effect		**(88,399)**	**12,132**
Comprehensive income (expense) for the year		**(17,951)**	**201,847**
Attributable to the owners of the parent		(19,734)	199,219
Attributable to non controlling interests		1,783	2,629

(1) The notes commenting on individual items are an integral part of these Consolidated Financial Statements.

STATEMENT OF FINANCIAL POSITION (1) (2)

(EUR thousand)	Note		31/12/2025		31/12/2024
ASSETS					
Authorisations and concessions	15		948,160		1,107,925
Other intangible assets	16		20,447		17,615
Goodwill	17		441,891		453,991
Property, plant and equipment	18		2,900,666		2,994,419
Right-of-use assets	19		205,332		218,017
Equity investments:			1,262		1,233
- carried at equity	23	390		428	
- other equity investments	23	873		805	
Financial assets measured at fair value	32		22,141		35,961
Other non-current financial assets	25		50,369		48,226
Deferred tax assets	43		76,004		54,325
Other non-current assets	10		62,525		54,175
Non-current assets			**4,728,797**		**4,985,887**
Inventories	7		24,985		23,436
Trade receivables	6		135,345		134,318
Other current assets	9		96,794		80,654
Current tax assets	42		31,979		25,012
Financial assets measured at fair value	32		11,342		15,185
Other current financial assets	33		89,261		452,314
Cash and cash equivalents	31		419,834		600,966
Current assets			**809,540**		**1,331,885**
Assets held for sale	44		**79,814**		**-**
TOTAL ASSETS			**5,618,150**		**6,317,771**
EQUITY					
Share capital	29		15,032		15,032
Other reserves	29		1,641,944		1,686,302
Retained earnings	29		258,198		258,198
Profit for the year	29		64,957		187,087
Equity attributable to the owners of the parent			**1,980,131**		**2,146,618**
Non-controlling interests	30		**65,349**		**76,481**
TOTAL EQUITY			**2,045,480**		**2,223,099**
LIABILITIES					
Employee benefits	14		2,521		2,714
Deferred tax liabilities	43		215,251		219,000
Provision for disposed businesses	26		82,315		82,349
Provision for dismantling expenses	20		91,968		90,630
Other non-current provisions	27		29,187		36,472
Financial liabilities measured at fair value	36		96,272		99,104
Non-current financial liabilities	34		2,139,168		2,138,966
Non-current lease liabilities	35		228,271		222,924
US Tax Partner Liability	12		119,785		162,510
Other non-current liabilities	13		82,621		56,566
Non-current liabilities			**3,087,360**		**3,111,234**
Other current provisions	27		29,892		29,365
Trade payables	8		77,015		123,551
Financial liabilities measured at fair value	36		11,245		9,832
Current financial liabilities	34		256,554		725,281
Current lease liabilities	35		5,196		6,510
Other current liabilities	11		62,249		53,513
Current tax liabilities	42		20,020		35,388
Current liabilities			**462,171**		**983,439**
Liabilities associated with assets held for sale	44		**23,139**		**-**
TOTAL LIABILITIES			**3,572,670**		**4,094,673**
TOTAL EQUITY AND LIABILITIES			**5,618,150**		**6,317,771**

(1) The notes commenting on individual items are an integral part of these Consolidated Financial Statements.

(2) The figures at 31 December 2025 have been reported in accordance with IFRS 5 with reference to the disposal of assets in Sweden. See Section **VII. Assets held for sale.**

STATEMENT OF CASH FLOWS(1) (2)

(EUR thousand)	Notes	2025	2024
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES:			
Profit for the year		70,448	189,715
- Amortisation, depreciation and impairment losses assets	20	353,977	277,868
- Increase in other provisions	19-25-26	4,110	3,710
- Decrease in other provisions	19-25-26	(11,190)	(17,787)
- Impairment losses of current assets	6	(244)	(185)
- Gains (losses) on equity investments	23	(3,935)	2,009
- Changes to post-employment benefits	13	(193)	(829)
Financial expense	36	45,139	27,224
Income taxes	40-41	33,483	33,700
Other changes in non-monetary items	28	32,940	3,231
		524,536	**518,656**
- Change in other current assets and liabilities:			
- Change in inventories	7	(1,549)	(3,274)
- Change in trade receivables	6	552	27,020
- Change in trade payables	8	(55,681)	(7,324)
- Net change in other assets/liabilities	9-10-11-12	(29,235)	(10,583)
- Change in fair value of hedging derivatives on commodities with monetary recognition	37-38	-	(907)
Tax payment	40-41	(46,818)	(39,416)
		(132,730)	**(34,484)**
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS (A)		**391,806**	**484,172**
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	44	12,340	-
CASH FLOWS FROM OPERATING ACTIVITIES		**404,145**	**484,172**
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:			
Acquisition of intangible assets	14-15	(5,902)	(5,873)
Acquisition of property, plant and equipment	17	(166,381)	(228,056)
Acquisitions of equity investments and other non-current financial assets	24	(78)	(248)
Net change in other increases/decreases in non-current assets	14-15-16-18	2,447	(11,124)
Net change in equity investment consolidation method	22	48	1,648
Collection from disposal of equity investments for price adjustment clauses	23	4,089	-
Disposals of equity investments and other non-current financial assets	24-31	318	(1,522)
Change in other current financial assets	31-32	363,069	(211,089)
Change in the Consolidation Scope due to business combination	46	(28,338)	(250,862)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES OF CONTINUING OPERATIONS (B)		**169,271**	**(707,125)**
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	44	-	-
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		**169,271**	**(707,125)**
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Increase in non-current loans	33	75,000	90,000
Green Bond Issues	33	-	500,000
Green Bond reimbursements	33	(500,000)	-
Net change in bank loans and borrowings	33	24,836	26,943
Changes in other current and non-current financial liabilities	33	(24,488)	(27,671)
Net interest paid	36	(28,758)	(15,898)
Early closure of loans	33	(106,641)	-
Dividends to shareholders	28-29	(151,342)	(152,087)
Share buy-back	28-29	(11,789)	(47,313)
Decrease in lease liabilities	34	(19,027)	(17,622)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES OF CONTINUING OPERATIONS (C):		**(742,209)**	**356,352**
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	44	(2,339)	-
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		**(744,549)**	**356,352**
NET CASH FLOWS FOR THE YEAR (A+B+C)		**(181,132)**	**133,399**
OPENING CASH AND CASH EQUIVALENTS		**600,966**	**467,568**
NET CASH FLOWS FOR THE YEAR		(181,132)	133,399
CLOSING CASH AND CASH EQUIVALENTS		**419,834**	**600,966**

(1) The notes commenting on individual items are an integral part of these Consolidated Financial Statements.

(2) The figures are presented net of the cash flows generated by the **"Assets and liabilities held for sale"**. The cash flows generated by the **"Assets and liabilities held for sale"** are indicated separately for the cash flows deriving from Operating, Investing and Financing activities, respectively. The flows of **"Continuing operations"** are obtained by adding together the above items.

STATEMENT OF CHANGES IN EQUITY(1)

(EUR thousand)	Notes	Share capital	Hedging reserve	Translation reserve	Treasury shares in portfolio	Other reserves	Profit (loss) for the year	Equity attributable to the owners of the parent	Non-controlling interests	Total equity
BALANCE AT 31/12/2023		15,032	41,711	(8,136)	(66,740)	1,972,496	178,668	2,133,033	6,664	2,139,697
Allocation of prior year profit		-	-	-	-	178,668	(178,668)	-	-	-
Share-based payments with equity-linked instruments		-	-	-	-	4,367	-	4,367	-	4,367
Share buy-back		-	-	-	(47,313)	-	-	(47,313)	-	(47,313)
Assignments of treasury shares					16,114	(16,114)	-	-	-	-
Distribution of dividends		-	-	-	-	(146,489)	-	(146,489)	(5,598)	(152,087)
Acquisitions of companies from third parties		-	-	-	-	-	-	-	72,841	72,841
Other changes		-	-	-	-	3,802	-	3,802	(56)	3,746
Profit for the year		-	-	-	-	-	187,087	187,087	2,629	189,715
Other comprehensive income		-	(2,915)	14,928	-	119	-	12,132	-	12,132
Comprehensive income		-	(2,915)	14,928	-	119	187,087	199,219	2,629	201,847
BALANCE AT 31/12/2024	29	15,032	38,795	6,792	(97,939)	1,996,849	187,087	2,146,618	76,481	2,223,099
Allocation of prior year profit		-	-	-	-	187,087	(187,087)	-	-	-
Share-based payments with equity-linked instruments	29	-	-	-	-	4,371	-	4,371	-	4,371
Share buy-back	29	-	-	-	(11,789)	-	-	(11,789)	-	(11,789)
Distribution of dividends	29-30	-	-	-	-	(145,355)	-	(145,355)	(5,987)	(151,342)
Acquisitions of companies from third parties	30	-	-	-	-	6,928	-	6,928	(6,928)	-
Other changes		-	-	-	-	(906)	-	(906)	-	(906)
Profit for the year	29-30	-	-	-	-	-	64,957	64,957	5,491	*70,448*
Other comprehensive income (expense)	29	-	(27,261)	(57,274)	-	(156)	-	(84,691)	(3,708)	*(88,399)*
Comprehensive income (expense)		-	(27,261)	(57,274)	-	(156)	64,957	(19,734)	1,783	(17,951)
BALANCE AT 31/12/2025	29	15,032	11,535	(50,482)	(109,728)	2,048,818	64,957	1,980,131	65,349	2,045,480

(1) The notes commenting on individual items are an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I. INTRODUCTION

ERG S.p.A. is the entity that prepares the consolidated financial statements and has its registered office in via De Marini 1 (WTC Tower), Genoa, Italy. The Consolidated Financial Statements at 31 December 2025 comprise the financial statements of ERG S.p.A. and of its subsidiaries (together, "ERG" or "ERG Group"). The ERG Group's core business is the generation of electricity from renewable sources, wind and solar, in Italy, France, Germany, Spain, the United Kingdom, Poland, Romania, Bulgaria, Sweden[1] and the United States of America. The publication of these Consolidated Financial Statements was authorised by the Board of Directors on 11 March 2026.

Basis of preparation

Unless indicated otherwise, these Consolidated Financial Statements are expressed in thousands of Euro (functional currency of the parent ERG S.p.A. and its reporting currency), and were prepared:

- in compliance with the International Financial Reporting issued by the International Accounting Standards Board (IASB) and endorsed by the European Union as well as in compliance with the provisions issued in implementation of Article 9 of Italian Legislative Decree no. 38 of 28 February 2005;
- on a going concern basis and therefore assuming that the Group will be able to meet the mandatory repayment conditions of the credit facilities granted by the banks and the bond issues as indicated in **Note 34 – Current and non-current financial liabilities.**

For clearer disclosure, it was deemed preferable to show all amounts rounded off to the nearest EUR thousand; consequently, in some tables, totals may differ slightly from the sum of the amounts that comprise it.
These Consolidated Financial Statements were audited by the independent auditors KPMG S.p.A. in accordance with the statutory audit engagement for the years from 2018 to 2026, conferred upon it pursuant to Italian Legislative Decree no. 39/2010 by the Shareholders in their meeting of 23 April 2018.
The relevant accounting standards and measurement criteria are presented in each note to which they refer.
Changes in the application of the accounting standards, where relevant, are described in the following paragraphs.

Basis of presentation

These Consolidated Financial Statements consist of:

- the **primary financial statements**, with the following characteristics:
  - the **Income Statement** includes an analysis of the items by nature, which is deemed more representative than presenting them by function. The format chosen is in fact consistent with internal reporting and management procedures;
  - the **Statement of Comprehensive Income** shows mainly the profit or loss items recognised through other comprehensive income;
  - the **Statement of Financial Position** shows the assets and liabilities according to their maturity, separating current and non-current items. Current assets are those held to be realised, sold or consumed in the normal operating cycle of the Group or in the 12 months after year end; current liabilities are those expected to be extinguished within the normal operating cycle of the Group or in the 12 months after year end;
  - the structure of the **Statement of Cash Flows** is based on the indirect method, with the indication of the cash flows from operating, investing and financing activities;
  - the **Statement of Changes in Equity** is prepared in accordance with the provisions of IAS 1 and shows separately the flows relating to the components of the reserve for other components of comprehensive income;
- the **Notes to the Consolidated Financial Statements**.

As required by Consob, in **Note 47 - Non-recurring items**, significant income and expenses deriving from non-recurring transactions or events that do not occur frequently in the normal course of business have been indicated separately, and in **Note 48 - Related parties**, amounts relating to positions and transactions with related parties have been indicated separately, although these are not significant for these Financial Statements.

Use of estimates – Risks and uncertainties

Relevant information on the accounting standards adopted and recognition and measurement criteria

Preparation of the financial statements and notes to the financial statements pursuant to IFRS requires ERG to make estimates and assumptions that affect the carrying amounts of the assets, liabilities, costs and revenue recognised in the Consolidated Financial Statements and disclosures relating to contingent assets and liabilities.

In the financial statements, accounting estimates refer to monetary amounts that are recognised but come with certain uncertainties in their measurement. Available information and subjective evaluations were used to obtain these estimates.

1 Business in the process of being sold as described in more detail in section **VII. Operating assets held for sale.**

Financial Statement Area	Description of the accounting estimates and assumptions
Impairment testing of goodwill, authorisations and concessions, other intangible assets, property, plant and equipment and right-of-use assets	The main assumptions for determining the recoverable amounts concern, in particular: • the identification of expected energy and gas prices; • the assessment of the availability of renewable resources; • the evolution of the regulatory framework; • the identification of macroeconomic variables such as inflation and discount rates, also linked to the current climate of geopolitical uncertainty; • exchange rates; • the assessment of possible impacts of climate change. For further details, please refer to **Note 22 – Impairment testing**.
Definition of the useful life of authorisations and concessions, other intangible assets, property, plant and equipment and the related amortisation and depreciation	Authorisations and concessions are amortised on the basis of their residual duration, which can be up to 40 years. Other intangible assets are amortised over a maximum period of 5 years. The useful life of property, plant and equipment is reviewed annually and adjusted where the most recent estimate differs from the previous ones. Any changes in estimates relating to useful life are recognised prospectively. If an item of property, plant and equipment comprises various parts having different useful lives, these parts are recognised separately (significant components). See section **III. Investing Activities** for more details.
Recoverability of deferred tax assets	These are recognised on the basis of the Group's future taxable profits as forecast by business plans as well as the expected settlement and renewal of tax consolidation agreements (**Note 43 – Deferred taxes**).
Measurement of provisions and contingent liabilities related to civil, administrative and tax proceedings	The measurement processes are based on complex elements that by their nature imply reliance on the Directors' judgement, also taking into account the elements acquired by external consultants, and involve both determining the degree of likelihood of the occurrence of conditions that may entail a cash outlay and hence classification among liabilities or among contingent liabilities, and quantifying the related amount. See section **IV. Provisions and Contingent Liabilities**. In particular, with reference to the Provision for Disposed Businesses, the most complex elements and uncertainties are connected with the process and with the measurement procedures related to the risks tied mainly to events dating back in time and pertaining to environmental, legal and tax topics tied to the divested "Oil" businesses of Coastal Refining and integrated Downstream, as well as the thermoelectric and hydroelectric businesses (**Note 26 – Provision for Disposed Businesses**).
Determination of loss allowances and impairment of other assets	Trade receivables and other assets deriving from contracts with customers are subject to impairment testing in accordance with the provisions of IFRS 9 on expected credit losses. Expected credit losses (ECL) are an estimate of losses weighted on the basis of the probability of default of the counterparty. See **Note 6 – Trade receivables.**
Fair value measurements	Some standards and disclosure obligations require the Group to measure the fair value of financial and non-financial assets and liabilities. The Group has its own structure of fair value assessors responsible for all significant fair value assessments in general, including Level 3. Unobservable inputs and valuation adjustments are subject to regular reappraisal. When information provided by third parties, such as broker quotes or pricing services, is used to determine fair value, the team of appraisers assesses and documents the evidence obtained from third parties to support the fact that such measurements comply with the provisions of EU-IFRS, including the level of fair value hierarchy in which the related measurement has to be classified. See also Section **V. Financing activities**.
Business Combinations	Fair value measurement of the consideration transferred (including the contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis if the initial accounting for the business combination is still provisional at the Reporting Date.
Determination of the discount rate of financial liabilities and valuation of the renewal options for right-of-use assets	The discount rate used is the incremental borrowing rate, determined as the sum of the Group's credit spread and the swap rates applicable to the reference country. In relation to the renewal options, the Group estimated the term of the related lease agreements taking into account the reasonable certainty that the option will be exercised. See also **Note 19 – Right-of-use assets**.

Potential impact of recent US trade policies

Following the introduction in 2025 of new tariff measures on a range of goods, including raw materials and components relevant to the construction of renewable energy production facilities, the current US administration is considering a further extension of these measures. Although the direct impact of these tariffs on ongoing activities remains limited at present, Management highlights a potential operational risk linked to the supply chain (Procurement and Supply Chain), particularly regarding the sourcing of components for the maintenance and construction of new wind and solar farms. However, projects currently under construction in Europe are proceeding as planned, thanks to mitigation measures negotiated under the already signed Framework Agreements.
Management will continue to closely monitor developments in international trade policies, particularly those of the United States, in order to promptly assess any future impacts on development costs and investment planning, as part of its risk mitigation strategies.
For more details on the Group's approach to the above risks and the strategy for managing these risks, please refer to the **Directors' Report**.

Climate Change Risk

Climate change risk is the possibility that climate changes in the short, medium and long term may have operational and economic-financial impacts resulting from factors such as the reduced availability of renewable resources (wind and sun), increased operational and insurance costs, and higher compliance costs. According to the latest IPCC report, global temperatures are continuing to rise and extreme events are becoming more frequent, although damage assessments remain uncertain due to the difficulty of estimating future effects and sectoral vulnerabilities.
In line with the ESMA Public Statement of 24 October 2024, ERG has been conducting a quantitative analysis of the impact of climate change on wind and solar asset production since 2023. The study identified risks of reduced resources, analysing average wind speed at 100 metres and solar irradiance. The impacts, considered to be insignificant, have been reflected in the medium-term (Market Plan) and long-term (impairment test) Business Plans.
According to the Group's approach, the risks generated by climate change can mainly be attributed to the following:

- Change in renewable resources (wind and sun);
- Catastrophic events, both acute (e.g. wildfires, hurricanes, floods) and chronic (e.g. rising temperatures, sea level rise);
- Regulatory and market changes, including incentives, demand, and competitiveness.

ERG's risk management strategy focuses, in particular, on the technological and geographical diversification of energy sources, also by leveraging local synergies. The Group also uses weather forecasting tools and statistical models to mitigate the impacts of climate change.
The Group is committed to contributing to the fight against climate change by investing in zero-emission technologies, such as wind and solar, to align with the European and United Nations objectives on renewable energy.
For more details on the Group's approach to the types of risks generated by climate change and the strategy for managing these risks, please refer to the **Directors' Report**.

Basis of consolidation and changes in consolidation scope

Relevant information on the accounting standards adopted and recognition and measurement criteria

Consolidation criteria and methods

Subsidiaries are consolidated on a line-by-line basis if, and only if, the Group has control, i.e.:

- *power over the investee;*
- *exposure, or rights, to variable returns deriving from the relationship with the investee;*
- *ability to exercise its power over the investee to affect the amount of its returns.*

When assessing control, IFRS 10 requires judgement and continuous assessment. For details on when the equity interest does not imply de facto control, please refer to ***Note 49 – List of Group companies and transactions of the year.***
The financial statements of subsidiaries are included in the Consolidated Financial Statements from the time the parent starts exercising control until the date on which control ceases.
Associates over which the Group exercises significant influence and joint ventures (generally corresponding to an equity investment of between 20% and 50%) are accounted for using the equity method.
For the purposes of the disclosure of the nature, extent and financial effects of the Group's interests in subsidiaries, please refer to ***Note 49 – List of Group companies and transactions of the year*** *and* ***Note 30 – Non-controlling interests.***

Translation of financial statements in currencies other than the Euro (i.e. foreign operations) and functional currency

The Group's functional currency is the Euro. The financial statements of subsidiaries expressed in currencies other than the Euro are translated according to the following methods:

- *the assets and liabilities, including goodwill and adjustments to fair value deriving from the acquisition, are translated into Euro using the closing rates.*
- *the revenue and costs of foreign operations in the income statement and in the statement of comprehensive income are translated into Euro using the average exchange rate for the year.*

Exchange differences are recognised in the Statement of comprehensive income and included in the translation reserve, with the exception of the exchange differences that are attributed to non-controlling interests.
The exchange rates used for the translation and the consolidation of financial statements in currencies other than the Euro are as follows:

exchange rate: foreign currency/EUR	Currency	Statement of Financial Position (1)	Income Statement (2)
USA	USD – US Dollar	1.175	1.130
United Kingdom	GBP – British Pound	0.873	0.857
Poland	PLN – Zloty	4.221	4.240
Romania	RON – Romanian Leu	5.097	5.043
Bulgaria	BGN – Bulgarian LEV	1.956	1.956
Sweden	SEK – Swedish Krona	10.822	11.066

(1) Exchange rate at 31 December 2025.
(2) Average exchange rate for 2025.

Changes in consolidation scope during the year: United Kingdom Wind

On **16 January 2025**, ERG, through its subsidiary ERG UK Holding Ltd, finalised the agreement with BayWa r.e AG, a leading operator in the renewable energy sector, for the acquisition of 100% of the shares of BayWa r.e. UK (Jubilee) Limited, a company that owns Broken Cross Wind Farm Limited, which owns a 43.2-MW onshore wind farm in South Lanarkshire, Scotland.
The wind farm, which entered into operation in the fourth quarter of 2024, consists of nine Nordex N133 turbines, each with a capacity of 4.8 MW and benefits from a 15-year Contract for Difference (CfD) awarded in the AR4 auction, in line with the Group's revenue securing strategy. The annual production is estimated at approximately 120 GWh, equivalent to 46 kt of CO2 emissions avoided each year, equal to the energy needs of over 28,000 households.

The following table summarises the impacts related to the consolidation on a line-by-line basis of the companies acquired in the year:

(EUR thousand)	Broken Cross
Authorisations and concessions	17.730
Goodwill	3.098
Property, plant and equipment	72.364
Right-of-use assets	2.391
Financial assets measured at fair value	1.599
Deferred tax assets	5.201
Non-current assets	**102.383**
Trade receivables	3.038
Cash and cash equivalents*	(1.010)
Current assets	**2.028**
TOTAL ASSETS	**104.411**
Deferred tax liabilities	7.271
Provision for dismantling expenses	768
Other non-current provisions	678
Financial liabilities measured at fair value(1)	20.201
Non-current financial liabilities(1)	61.385
Non-current lease liabilities(1)	2.279
Non-current liabilities	**92.582**
Trade payables	10.127
Current financial liabilities(1)	1.591
Current lease liabilities(1)	112
Current liabilities	**11.829**
TOTAL EQUITY AND LIABILITIES	**104.411**

The table above provides a breakdown of the assets acquired and the liabilities assumed inclusive of the impacts of the adoption of IFRS 16.
(1) The impact on the Net Financial Indebtedness relates to the following items: cash and cash equivalents (which includes the consideration paid for the acquisition), financial assets measured at fair value, non-current financial liabilities, non-current lease liabilities and current financial liabilities.

For further details on business combinations, please refer to **Note 46 – Business Combinations** in section **VIII. Other Notes.**

II. OPERATIONAL MANAGEMENT

This section discusses the items in the Consolidated Financial Statements strictly related to the operating and current management of the Group's assets as well as the reporting by operating segment. In particular, it discusses the income statement items that make up the gross operating profit (loss) and the statement of financial position items relating to the operating working capital as well as other assets and liabilities.
The income statement and statement of financial position data relating to the operating assets in Sweden, which are in the process of being sold at 31 December 2025, have been presented in accordance with IFRS 5. For further details, please refer to section ***VII. Operating assets held for sale***.

Reporting by operating segment

Relevant information on the accounting standards adopted and recognition and measurement criteria

Operating performance figures are presented and commented on with reference to the various geographical segments in which the Group operates, in line with the Group's internal performance measurement methods.
The results also reflect the energy sales on markets by Group Energy Management, in addition to the application of effective hedges of the generation margin. The above mentioned hedges include, inter alia, the use of instruments by Energy Management to hedge the price risk. In order to give a clearer representation of business by geographical segment, the wind and solar results include the related hedging.
The operating segments identified pursuant to IFRS 8 therefore coincide with the various geographical segments in which the Group operates: Italy, France, Germany, Eastern European countries, the UK, Spain and the United States of America.
The representation by geographical segment corresponds to the approach used by the CEO and senior management – identified as the highest operational decision-making level – to monitor performance and make decisions regarding the resources to be allocated to the sectors, and corresponds to the reporting structure available and periodically analysed for these purposes.
The tables below therefore provide information by geographical segment of the results indicated in the financial statements.
With reference to the UK & Nordics geographical area (now "UK") and the process of disposal of assets in Sweden, the results of the Swedish assets have been reclassified as "Operating assets held for sale" and, therefore, the summary income statement and statement of financial position data for these operating segments have not been included in the segment information below this paragraph. For more information, refer to ***Note 45 - Profit (loss) from assets held for sale.***

It should be noted that in the ***Directors' Report,*** *in order to facilitate understanding of the Group's operating performance, the operating results are also presented excluding significant income components of an unusual nature (non-recurring items, reclassifications and other items) indicated with the definition "adjusted" and including assets held for sale that made a full economic contribution in 2025.*
For more information on the operating segment performance and the measurement and reconciliation of adjusted results and other alternative performance indicators, please refer to the ***Directors' Report*** *and to* ***Note 47 – Non-recurring items***.

Gross operating profit (loss) and Operating profit (loss)

Gross operating profit (loss) and operating profit (loss) are determined by the operating activities of the Group that generate continuing revenue and by the other income and costs related to the operating activities. Gross operating profit (loss) does not include net financial income and expense, gains and losses on equity investments, income taxes, amortisation, depreciation, reversals of impairment losses (where applicable) and impairment losses on:

- *goodwill;*
- *authorisations and concessions;*
- *other intangible assets;*
- *property, plant and equipment;*
- *right-of-use assets.*

Operating profit (loss) is equal to the gross operating profit less amortisation, depreciation, reversals and impairment losses on authorisations and concessions, other intangible assets, property, plant and equipment and right-of-use assets.
Net invested capital is the sum of Non-current assets, Net operating working capital, liabilities related to Employee benefits, Other assets and Other liabilities, as better defined in the ***Directors' Report.***

Reporting by geographical segment

2025

(EUR million)	TOTAL	Italy	France	Germany	East Europe	UK	Spain	USA
		of which						
Revenue	744	409	111	45	67	61	18	31
Gross operating profit (loss)	526	300	65	25	50	35	6	45
Amortisation, depreciation and mpairment losses	(354)	(146)	(48)	(29)	(19)	(17)	(70)	(24)
Operating profit (loss)	172	154	17	(4)	31	17	(64)	22
Net invested capital	4,094	1,862	687	258	222	523	252	291
Capital expenditure on non-current assets	163	79	19	29	0	34	0	1

2024

(EUR million)	TOTAL	Italy	France	Germany	East Europe	UK	Spain	USA
		of which						
Revenue	733	419	100	55	68	48	24	18
Gross operating profit (loss)	525	314	51	34	54	24	15	32
Amortisation, depreciation and impairment losses	(273)	(141)	(48)	(22)	(19)	(15)	(12)	(18)
Operating profit (loss)	251	174	3	12	35	10	3	14
Net invested capital	4,149	1,860	731	237	239	433	304	345
Capital expenditure on non-current assets	230	140	58	9	0	22	0	1

Revenue and operating margins

NOTE 1 - REVENUE

Relevant information on the accounting standards adopted and recognition and measurement criteria

Revenue from contracts with customers is recognised in accordance with IFRS 15.

The main types of revenue of the Group that generate separate performance obligations, pursuant to IFRS 15, are:

1. *Revenue from the sale of commodities*
   - *Sale of electricity on the power exchange or through short-term contracts;*
   - *Sale of electricity through Power Purchase Agreements (PPAs);*
2. *Revenue for incentive tariffs (feed-in tariff, feed-in premiums, contracts for difference auctions, etc.) on electricity;*
3. *Revenue for green certificates (foreign companies) and guarantees of origin.*

Revenue from the sale of energy on the power exchange or through short-term bilateral agreements (with a duration of less than 5 years) are recognised when the energy is fed into the grid. The item also includes transactions relating to the regulation of the balancing of the electricity grid and any other remuneration linked to the availability of the capacity of the plants.

The Group also enters into derivatives on commodities to manage the risk of volatility in the price of electricity, therefore revenue also includes the impact of derivative instruments concluded with hedging objectives on energy sales in the year. For further details, please refer to ***Note 39 – Disclosure on financial risks.***

As regards revenue for the incentive tariff, generally with a duration between 10 and 20 years, this may be invoiced to the customer together with the electricity transferred, or applied separately by the Regulators to the company (in Italy typically by the GSE). These agreements are considered to be distinct performance obligations from the supply of energy and, in the event that they are billed together with the price for energy sold to the customer, the revenue from the customer excludes the incentive tariff portion. The incentive tariff performance obligation is fulfilled at a point in time (when the specific conditions indicated by the Regulator are met/reached: production of electricity from renewable sources), since none of the criteria for fulfilment

over time has been met. However, in view of the fact that the electricity is produced and sold at essentially the same time, the accounting of revenue for the incentive tariff corresponds to that of the revenue for the sale of electricity.
With particular reference to revenue generated through incentive tariffs regulated by auctions and using a two-way incentive mechanism, under certain predefined conditions, these incentives could be structured as derivative financial instruments. It should be noted that, at the date of these Financial Statements, there are no types of two-way incentive mechanisms falling within the definition of derivative financial instrument (IFRS 9).

*As regards revenue for **Certificates**, with a duration between 10 and 20 years, this derives from the fact that the Group has mainly renewable generation assets (wind and solar) for whose production the Regulators assign certificates to the Group.*
Certificates are therefore instruments to encourage the demand (Certificates of Origin) and supply (Green Certificates) of renewable energy. Green Certificates are essentially awarded for every MWh of electricity produced. A Guarantee of Origin (GO) is an electronic certificate attesting to the renewable origin of the sources used by IGO qualified plants, and for each MWh of renewable electricity fed into the network by IGO qualified plants, the competent authority issues a GO certificate. In several countries where the Group operates, GO certificates are included in sales to entities that purchase electricity, for example through short- and medium- to long-term contracts.

The Group considers the certificate to have been essentially assigned at the moment the renewable energy is produced, and revenue is recognised when the energy is produced.
The following information is also noted in relation to the disclosure requirements of IFRS 15:

- *there are no contracts with significant financing components;*
- *there are no contracts with variable fees;*
- *as a practical measure, the entity recognised the incremental costs to obtain the contract as expenditure in the moment in which they were incurred, since the period of depreciation of the assets that the entity would otherwise recognise does not exceed one year.*

The Group regularly enters into medium/long-term supply contracts on the basis of which the counterparty purchases the production of one or more identified wind farms for a contractually predetermined period. The Power Purchase Agreements (PPAs) are long-term and characterised by a defined price and aim to guarantee a revenue structure with a medium/low level of risk and to ensure a stable return on the investments made to realise the aforementioned growth plan. The transfer of the energy may be physical or there may be provision for the exchange on the delivery date of a differential based on the price defined in the contract for a variable price, without the physical transfer of the underlying electricity (financial or virtual PPA, VPPA). VPPAs are accounted for in accordance with IFRS 9 without the application of the own use exemption; see ***Note 38 – Financial instruments for more information..***

Below is a summary, by country, of the PPAs finalised by 31 December 2025:

COUNTRY	START DATE/DURATION	COUNTERPARTY	VOLUME/YEAR	TYPE	PRICE	PLANTS/CAPACITY	ACCOUNTING
ITALY	January 2022 / 10 years	TIM	≈340 GWh Baseload / Pay as produced	PHYSICAL	COLLAR	WIND ITALY Portfolio /	IFRS 15
ITALY	January 2023 / 9 yearsi	TIM	≈200 GWh Baseload	PHYSICAL	COLLAR	WIND ITALY Portfolio /	IFRS 15
ITALY	January 2023 - April 2024 / 12 years	ESSILOR LUXOTTICA	≈70 GWh Baseload	PHYSICAL (from Apr 2024)	FIXED	Partinico / Monreale	IFRS 15
ITALY	January 2024 / 15 years	ST MICROELECTRONICS	≈250 GWh Baseload	PHYSICAL	FIXED	Camporeale / Mineo-Militello-Vizzini	IFRS 15
ITALY	June 2024 / 20 years	GOOGLE	≈100 GWh Pay as produced	FINANCIAL	FIXED	Roccapalumba	IFRS 9
ITALY	January 2025 / 5 years	DUFERCO	≈100 GWh Pay as produced	PHYSICAL	COLLAR	Rotello	IFRS 15
ITALY	January 2025 / 5 years	ENI PLENITUDE	≈64 GWh Pay as produced	PHYSICAL	FIXED	San Cireo	IFRS 15
ITALY	January 2025 / 5 years	ENGIE	≈44 GWh Baseload	PHYSICAL	FIXED	WIND ITALY Portfolio	IFRS 15
ITALY	January 2027 / 15 years	A2A	≈182 GWh Baseload / Pay as produced	PHYSICAL	FIXED	Salemi Castelvetrano	IFRS 15
ITALY	August 2025 / 5 - 10 years	RFI	≈185 GWh Pay as produced	PHYSICAL	FIXED	WIND ITALY Portfolio	IFRS 15
FRANCE	May – September 2021 / 5 years	ENGIE	≈45 GWh Pay as produced	PHYSICAL	FIXED	Bois Bigot / Bois de l'Arche	IFRS 15
FRANCE	October – December 2021 / 5 years	ENGIE	≈100 GWh Pay as produced	PHYSICAL	FIXED	Theta Portfolio	IFRS 15
FRANCE	January 2025 / 15 years	LES MOSQUETAIRES	≈35 GWh Pay as produced	PHYSICAL	FIXED	Chaume Solar	IFRS 15
UK	January 2022 / 6 years	ELECTROROUTE	≈240 GWh Pay as produced	PHYSICAL	FIXED	Evishagaran / Craggoire	IFRS 15
UK	January 2023-2024 / 10 years	ENGIE UK	≈400 GWh Baseload	PHYSICAL	FIXED	Sandy Knowe / Creagh Riabhach	IFRS 15
UK	July 2026 / 15 years	AMAZON	≈176 GWh Baseload	FINANCIAL	FIXED	Corlacky	IFRS 9
SPAIN	1st quarter 2024 / 12 years	GOOGLE	≈193 GWh Pay as produced	FINANCIAL	FLOOR	Garnacha	IFRS 9
USA	January 2023 / 12 years	BP	≈133 GWh Fixed Shape	FINANCIAL	FIXED	Mulligan Solar	IFRS 9
USA	April 2023 / 12 years	META	≈831 GWh Pay as produced	FINANCIAL	FIXED	Great Pathfinder	IFRS 9

It should also be noted that in 2025, Furukraft AB, a wholly-owned subsidiary of the Group that was sold in January 2026, signed a 10-year PPA with Skellefteå Kraft AB, a Swedish municipal energy company. The agreement, valid from 1 January 2026, provides for the pay-as-produced supply of approximately 150 GWh per year, for a total of 1.5 TWh, of renewable energy produced by the Furuby wind farm.

2025

(EUR thousand)	Italy	France	Germany	East Europe	UK	Spain	USA	Total
Revenue from sales								
Energy to the market	174,016	29,449	38,038	61,947	12,296	11,511	3,751	331,008
Incentive tariff and certificates	127,909	69,874	6,781	5,095	670	-	1,335	211,664
Power Purchase Agreements	106,636	11,441	-	-	48,213	6,765	26,165	199,219
Total Revenue from sales	**408,561**	**110,764**	**44,819**	**67,041**	**61,179**	**18,275**	**31,251**	**741,890**
Revenue from the provision of services								
Services and other	490	521	210	-	503	-	-	1,725
Total Revenue from services	**490**	**521**	**210**	**-**	**503**	**-**	**-**	**1,725**
Total Revenue	**409,051**	**111,285**	**45,030**	**67,041**	**61,682**	**18,275**	**31,251**	**743,616**
of which Wind	303,379	99,030	45,030	67,041	61,682	-	22,265	598,427
of which Solar	105,672	12,255	-	-	-	18,275	8,986	145,188

2024

(EUR thousand)	Italy	France	Germany	East Europe	UK	Spain	USA	Total
Revenue from sales								
Energy to the market	203,297	28,350	39,503	59,629	7,773	17,891	1,455	357,898
Incentive tariff and certificates	122,908	62,251	13,251	7,810	788	-	1,129	208,137
Power Purchase Agreements	87,493	9,459	-	-	39,358	6,394	15,271	157,975
Total Revenue from sales	**413,698**	**100,060**	**52,754**	**67,439**	**47,918**	**24,285**	**17,855**	**724,009**
Revenue from the provision of services								
Services and other	5,576	183	2,396	**140**	183	41	-	8,518
Total Revenue from services	**5,576**	**183**	**2,396**	**140**	**183**	**41**	**-**	**8,518**
Total Revenue	**419,274**	**100,243**	**55,150**	**67,578**	**48,101**	**24,326**	**17,855**	**732,528**
of which Wind	321,197	90,012	55,150	67,578	48,101	-	12,201	594,239
of which Solar	98,077	10,231	-	-	-	24,326	5,654	138,289

Revenue is up compared to 2024, mainly thanks to the contribution of new capacity in operation, which compensates for lower wind speeds.

For further details regarding the prices and quantities sold, please refer to the comments in the **Directors' Report**.

Revenue from the sale of 'Energy to the market' includes the net positive impact of EUR 9 million (positive EUR 8 million in 2024) from commodity hedging derivative instruments. Please refer to Note 39 – Disclosure on financial risks for further details.
The item "Power Purchase Agreements" also includes the reversal of the current portion of EUR 10 million (EUR 2 million in 2024) of the fair value of VPPAs and other fixed-price contracts recognised as part of business combinations.

The timeframe for the collection of amounts related to revenue depends on the type of revenue. Amounts due for energy sold to the market have an average realisation time of less than three months in all countries where the Group operates.

NOTE 2 - OTHER INCOME

Relevant information on the accounting standards adopted and recognition and measurement criteria

*The proceeds from the US Production Tax Credit (US PTC) relate to the existing Tax Equity Partnership (TEP) agreements within the company's US wind energy business. These represent a form of non-cash incentive recognised over time, as further detailed in the section **Basis of consolidation and changes in consolidation scope**. PTCs are one of the non-cash elements impacting the fair value of the outstanding liability with the Partner. Specifically, the allocation of PTCs is linked to the energy generated during the relevant period. The item includes PTCs accrued during the year.*

Other income mainly includes, in addition to the US PTCs already mentioned, insurance reimbursements, indemnities and expense recoveries, minor third-party chargebacks and operating grants.

(EUR thousand)	2025	2024	Change
Income from PTC USA	24,569	18,537	6,033
Release of excess cost allocations	10,751	13,977	(3,227)
Indemnities	9,377	8,409	968
Reimbursement of expenses	1,177	1,272	(95)
Other income	5,085	10,187	(5,102)
TOTAL	**50,958**	**52,382**	**(1,424)**

This item mainly includes income from PTCs under the US partnership for EUR 25 million (EUR 19 million in 2024, starting on 1 April), contractual indemnities and guarantees received from suppliers for EUR 9 million, releases of provisions for tax and legal risks recorded in connection with certain acquisitions made in previous periods for EUR 4 million, as well as the release of provisions relating to potential charges in East Europe (EUR 4 million), for which the requirements that originally led to their recognition no longer exist.
It should be noted that the 2024 financial year, under the item "Other income", included the capital gain realised from the sale at market value of works of art recorded in the non-current assets of the parent ERG S.p.A. to a related party.

NOTE 3 - PURCHASES

This item, amounting to EUR 8,724 thousand (EUR 9,954 thousand in 2024), mainly includes the costs for the purchase of plant components (spare parts) with a useful life not exceeding one year and consumables mainly in relation to wind farms. The item is shown net of the change in inventories of EUR 1,801 thousand (EUR 3,061 thousand in 2024). The item also includes the impact of the consumption of significant spare parts of the wind farms that have been reclassified to Property, plant and equipment for EUR 4,933 thousand (EUR 4,233 thousand in 2024).

NOTE 4 - SERVICES AND OTHER OPERATING COSTS

(EUR thousand)	2025	2024	Change
Services	148,172	147,210	961
Rental, lease and hire expenses	19,048	18,488	560
Taxes and duties	15,918	17,593	(1,675)
Other operating costs	7,666	5,563	2,103
Provision for risks and charges	3,931	3,089	842
Loss allowance	4,782	185	4,597
Total	**199,516**	**192,128**	**7,388**

Rental, lease and hire expenses refer mainly to royalties and fees for the use of company software, not falling within the scope of application of IFRS 16.
Taxes and duties mainly concern municipal and property taxes on Italian and foreign farms, non-deductible VAT for the financial assets of ERG S.p.A. and foreign subholdings, and other taxes and duties in Italy and abroad.

Services are broken down as follows:

(EUR thousand)	2025	2024	Change
Maintenance and repairs	62,652	57,093	5,559
General and Information Technology (IT) services	24,950	22,627	2,323
Consultancy	14,195	19,028	(4,834)
Utilities and consumption	8,600	10,415	(1,815)
Commercial, distribution and grid connection costs	9,814	7,433	2,381
Insurance	7,518	8,895	(1,377)
Directors' remuneration (Italy)	7,486	7,173	313
Personnel services	5,988	6,628	(640)
Operator-assisted rentals	2,200	2,307	(108)
Health, Safety, Environment and Quality (HSEQ)	1,287	1,778	(491)
Audit costs	1,911	1,756	155
Services from network operator (Italy)	816	1,151	(335)
Statutory Auditors' remuneration (Italy)	372	372	-
Advertising and promotions	383	554	(171)
Total	**148,172**	**147,210**	**961**

- **Maintenance and repairs** mainly include ordinary maintenance costs for electricity generation plants; the increase is due to the business combinations (acquisitions) carried out during the period, as well as the contribution of the wind farms that came into operation in the United Kingdom.
- **General and Information Technology (IT) services** relate to IT services, bank expenses, overheads, security and cleaning services.
- Consultancy includes mainly expenses for legal, technical and professional consultancy as well as expenses incurred for non-recurring transactions. The decrease is due to significantly lower charges on non-recurring transactions compared to the comparative period.
- **Directors' remuneration (Italy)** includes remuneration, expenses and the portion of the cost pertaining to the 2024-2026 Long-Term Incentive Plan of ERG S.p.A. and ERG Power Generation S.p.A. in accordance with IFRS 2 - Share-based payment. For further details, please refer to **Note 5 – Personnel expense**.

NOTE 5 - PERSONNEL EXPENSE

Relevant information on the accounting standards adopted and recognition and measurement criteria

IPersonnel expenses are recognised in compliance with IAS 19 – Employee Benefits, which governs the recognition of short-term benefits, contribution and defined benefit plans and post-employment benefits.
In line with Group policies, part of the personnel expenses was capitalised in compliance with IAS 38 and IAS 16, as they are directly attributable to the development of internal projects. Capitalisation is limited to the costs of personnel employed in activities that meet the recognition criteria envisaged by the accounting standards

Share-based payment

The Group has transactions in place with share-based payments settled with equity instruments as part of the remuneration and incentive policy for certain employees (known as the 2024-2026 LTI Plan). Pursuant to IFRS 2, the Group recognises the services rendered by employees throughout the period of time in which the conditions of continued service and the achievement of certain objectives must be met (vesting period) by recognising their value in the income statement under the item "Personnel expenses" and a corresponding increase in a specific item of equity, based on the fair value of the equity instruments (ERG S.p.A. shares) recognised at the inception date.
The overall cost recorded is subsequently subject to adjustment at each reference date of the financial statements until the vesting date to reflect the best available estimate of the number of equity instruments for which it is expected that the conditions of continued service and the achievement of certain objectives other than the so-called 'market conditions' will be met at the end of the vesting period.

(EUR thousand)	2025	2024	Change
Wages and salaries	43,942	43,577	365
Social security expenses	12,165	11,262	902
Post-employment benefits	2,081	1,523	559
Other personnel expenses	2,053	1,516	538
Total	**60,242**	**57,878**	**2,364**

At 31 December 2025, the total number of employees was 672 (660 at 31 December 2024).

It should be noted that during the financial year, personnel costs totalling EUR 3,483 thousand (EUR 2,002 thousand in 2024) were reclassified under "Property, plant and equipment". These costs relate to ancillary costs incurred for Greenfield and Repowering development projects in Italy, France and Germany and to the replacement of significant spare parts for certain wind farms. Furthermore, an amount of EUR 970 thousand relating to ancillary costs on Information and Communication Technology projects has been reclassified under "Other intangible assets".

The cost for post-employment benefits pertains mainly to the portion of benefits relating to defined contribution plans. The cost also includes the contributions paid to defined contribution plans in favour of key managers, for the details of which please see **Note 48 – Related Parties**.

In general, the increase in personnel expenses is due to salary adjustments and, to a lesser extent, to an increase in the number of employees.

Share-based payment

On 23 April 2024, the Shareholders' Meeting of ERG S.p.A. had approved the 2024-2026 Long-Term Incentive Plan, according to the conditions provided for in the relevant Information Document. The Plan calls for the assignment of a predefined number of ERG S.p.A. Shares, free of charge (hereafter, "Performance shares"), at the end of a three-year vesting period, subject to the attainment of a minimum predetermined economic performance (non-market condition). The performance parameter approved by the Board of Directors refers to the cumulative 2024-2026 Group gross operating profit of the Business Plan. According to the Regulation, this operating condition may be changed in light of changes in the consolidation scope or other significant events.
At the end of the vesting period, 30% of the Shares allocated will be subject to an additional lock-up period of twelve months, which will conclude in 2028, during which said shares are subject to the non-transferability constraint.

The shares assigned represent the conditional rights that are the subject of the Plan, free of charge and non-transferable inter vivos, each of which gives the Beneficiaries the right to be assigned free of charge 1 (one) share according to the terms and conditions contained in the Regulations.
The Plan provides that the Shares assigned will only vest – thus becoming Shares Allocated – subject to the occurrence of the Minimum Economic Performance Condition as ascertained by the Board of Directors upon approval of the Company's financial statements at 31 December 2026.
Upon achievement of the Minimum Economic Performance Condition, the number of Shares that can be allocated will depend on the results achieved with respect to the objectives: 60% ERG Share, 20% Growth and 20% Sustainability. The incentive strategy for each objective can be summarised as follows:
ERG Share objective: the shares that can be allocated may vary by interpolation from a minimum of 60% up to a maximum of 220% of the shares assigned based on the final price, i.e. the ERG share price calculated as the average of the official stock exchange price in the period between 16 November 2026 and 15 February 2027.
Sustainability Objective: the shares that can be allocated may vary from a minimum of 0% up to a maximum of 40% of the shares assigned according to the following scheme: 0% (sub-threshold performance), 10% (threshold performance), 20% (target performance), 40% (performance cap). For intermediate scenarios between the performance threshold and the target performance, and between the target performance and the performance cap, the number of Shares that can be allocated is determined on the basis of linear Interpolation.
Growth Objective: the shares that can be allocated may vary from a minimum of 0% up to a maximum of 40% of the shares assigned according to the following scheme: 0% (sub-threshold performance), 10% (threshold performance), 20% (target performance), 40% (performance cap). For intermediate scenarios between the performance threshold and the target performance, and between the target performance and the performance cap, the number of Shares that can be allocated is determined on the basis of linear Interpolation.
Within the framework of the information document approved by the shareholders' meeting, the Board of Directors in its meeting of 15 May 2024 defined the regulations of the Plan and determined the objectives of the Plan in the different performance scenarios.

The estimate of the fair value, which is independent of the non-market activation conditions (achievement of the Target gross operating profit, Growth Objective and Sustainability Objective) as defined by IFRS 2, was carried out by applying the Monte Carlo method, thus identifying a range of values and taking their average value into consideration.
The assessment exercise was carried out formulating the following assumptions:

- *Volatility (21%): median of historical volatility at 180 days of the panel of ERG share comparables;*
- *Dividend Yield: estimated on the basis of the dividends forecast in the plan for the three-year time period 2024-2026, i.e. EUR 1 per share, as a percentage of share price;*
- *Distribution of growth and sustainability targets were appropriately modelled by a lognormal distribution;*
- *Time to maturity: in accordance with the provisions of the regulation of the financial instrument, the derivative was assumed to have a duration of three years.*

In application of the above, the total fair value of the incentive plan was identified at inception as approximately EUR 13.1 million, a value deemed appropriate also in light of the sensitivities performed on the main inputs of the measurement model. This amount refers for 42% to the Directors and for the remainder to Group employees.
The cost for the year was recognised under 'Wages and salaries' at 31 December 2025 based on the fair value determined at inception and the number of instruments estimated based on the extent to which the conditions for continuing employment and achieving the expected objectives are expected to be met.

Working capital and other assets and liabilities

(EUR thousand)	Notes	31/12/2025	31/12/2024	Change
Trade receivables	6	135,345	134,318	1,026
Inventories	7	24,985	23,436	1,549
Trade payables	8	(77,015)	(123,551)	46,536
Operating working capital		**83,314**	**34,203**	**49,111**
Other current assets	9	96,794	80,654	16,140
Other non-current assets	10	62,525	54,175	8,349
Other current liabilities	11	(62,249)	(53,513)	(8,737)
Other non-current liabilities	13	(82,621)	(56,566)	(26,055)
US Tax Partner Liability	12	(119,785)	(162,510)	42,725
Assets for fair value derivatives hedging commodities	32	18,923	31,415	(12,491)
Liabilities for fair value derivatives hedging commodities	36	(107,517)	(106,977)	(541)
Employee benefits	14	(2,521)	(2,714)	193
Other assets (liabilities)		**(196,452)**	**(216,036)**	**19,584**

NOTE 6 - TRADE RECEIVABLES

Relevant information on the accounting standards adopted and recognition and measurement criteria

Initial recognition takes place at fair value, subsequently they are measured using the amortised cost criterion.

Trade receivables and other assets deriving from contracts with customers are subject to impairment testing in accordance with the provisions of IFRS 9 on expected credit losses. Expected credit losses (ECL) are an estimate of losses weighted on the basis of the probability of default of the counterparty.

For customers, the Group individually assesses the time frame and amount of the credit loss on the actual expectation of recovery.

(EUR thousand)	31/12/2025	31/12/2024	Change
Receivables from customers	83,674	95,562	(11,888)
Receivables for incentives	53,638	43,936	9,702
Loss allowance	(1,967)	(5,180)	3,212
Total	**135,345**	**134,318**	**1,027**

The item includes mainly receivables for the supply of electricity to third parties (including incentives, feed-in tariff, green certificates and Feed-in Premium).

The loss allowance changed as follows:

(EUR thousand)	31/12/2025	Increases	Decreases	31/12/2024
Fondo svalutazione crediti	1,967	244	(3,457)	5,180
Totale	**1,967**	**244**	**(3,457)**	**5,180**

The decrease is due to the use of the loss allowance against the derecognition of the amount that was definitively deemed uncollectible.
The Group assesses the existence of objective evidence of impairment on an individual basis. The impairment tests are checked at individual company level by the Credit Committee, which meets periodically to analyse the situation of past due trade receivables and any critical issues related to their collection.

The analysis of the trade receivables existing at year end follows. The ageing brackets are presented net of the related loss allowance.

(EUR thousand)	31/12/2025	31/12/2024
Receivables not past due	**128,647**	**131,151**
Receivables past due:		
within 30 days	6,189	1,984
within 60 days	349	82
within 90 days	127	18
after 90 days	33	1,083
Total	**135,345**	**134,318**

It should be noted that the amount of trade receivables due within 30 days was collected in January 2026.

NOTE 7 - INVENTORIES

Relevant information on the accounting standards adopted and recognition and measurement criteria

Spare parts

Inventories are recognised at cost, determined using the weighted average cost method, or market value (replacement cost), whichever is lower. The cost includes direct materials and, where applicable, direct labour costs and overheads that have been incurred to bring the inventories to their current position and condition.

The cost is calculated using the weighted average cost method. For the net realisable value, the replacement cost is normally taken as reference or, where available, the net realisable value of the assets.

Inventories, amounting to EUR 24,985 thousand (EUR 23,436 thousand at 31 December 2024), mainly include spare parts for wind farms and photovoltaic systems in Italy, France and Germany.

(EUR thousand)	31/12/2025	31/12/2024	Change
Italy	19,697	18,903	794
France	3,473	3,166	307
Germany	1,700	1,238	462
Other countries	115	129	(14)
Total	**24,985**	**23,436**	**1,549**

NOTE 8 - TRADE PAYABLES

Relevant information on the accounting standards adopted and recognition and measurement criteria

These are liabilities deriving from commercial transactions and are payable within the next year.
These refer mainly to payables for investments, purchases of components and electricity.
Initial recognition takes place at fair value, subsequently they are measured using the amortised cost criterion.
*The Group proceeds with the derecognition when the obligation has been fulfilled, cancelled or expired; for further details, see the comments on financial assets and liabilities in **Section V. Financing activitie**s in the **Net Financial Position** section.*

Trade payables, amounting to EUR 77,015 thousand (EUR 123,551 thousand at 31 December 2024), mainly include payables for maintenance and other services from third parties for plants in operation (approximately EUR 55 million), for capital expenditure related to wind farms under construction (approximately EUR 8 million) and for purchases of electricity for production optimisation activities (EUR 7 million). The change mainly concerns purchases related to parks under construction due to the significantly lower investments in the year, as well as the timing of payments.
It should be noted that during financial year 2024, ERG S.p.A. entered into supply financing agreements with leading financial institutions to optimise working capital management at 31 December 2024. These agreements related to trade payables of approximately EUR 9 million at 31 December 2024. No agreements of this type were signed during 2025.

NOTE 9 - OTHER CURRENT ASSETS

(EUR thousand)	31/12/2025	31/12/2024	Change
Portions of deferred charges	27,840	25,154	2,686
Tax assets	59,815	40,249	19,565
Other assets	9,139	15,250	(6,111)
Total	**96,794**	**80,654**	**16,140**

The **Portions of deferred charges** refer mainly to lease payments to municipalities, surface rights and insurance premiums for approximately EUR 11 million and to deferred charges relating to development projects for approximately EUR 16 million.
Tax assets relate to tax-related assets such as VAT and other taxes. The increase is mainly attributable to higher VAT assets compared to 2024, which was influenced by partial early collections (for EUR 8 million) as a result of sales to banking institutions.
The item does not include assets relating to direct taxes, for which reference is made to **Note 41– Current tax assets and liabilities**.

NOTE 10 - OTHER NON-CURRENT ASSETS

Other non-current assets, amounting to EUR 62,525 thousand (EUR 54,175 thousand at 31 December 2024) relate mainly to:

- the portion still to be collected (EUR 19 million) of the grants per Italian Law no. 488/92 relating to wind farms acquired with the ERG Wind transaction. With respect to the aforesaid amounts, a liability of an equal amount has been allocated and it was recognised in the 2013 Consolidated Financial Statements as part of the purchase price allocation as a potential adjustment to the acquisition price of the ERG Wind Group (**Note 13 – Other non-current liabilities**);
- amounts of EUR 26 million due as compensation for the liability tied to interest and revaluations on the grants under Italian Law no. 488/1992 relating to wind farms acquired with the ERG Wind transaction and revoked by the Italian Ministry of Economic Development as discussed more thoroughly in **Note 25 – Other non-current financial assets**;
- other receivables totaling EUR 13 million relating to provisional tax payments made pending litigation. Specifically, EUR 4.5 million relates to a payment made in 2018 by ERG S.p.A. to the tax authorities as a provisional collection pending litigation regarding the dispute over the notice of adjustment and assessment of registration tax on the sale of the ISAB Energy S.r.l. business unit. For further details, see the section below.

Notice of adjustment and settlement of registration tax for the sale of the ISAB Energy S.r.l. business unit

With regard to the sale of the business unit consisting mainly of the "IGCC" thermoelectric power plant which took place pursuant to the deed dated 30 June 2014 by ISAB Energy S.r.l. to ISAB S.r.l., on 6 July 2016, the provincial division of the Italian Revenue Agency at Syracuse – Noto office (hereinafter the "Agency") served to ERG S.p.A. as the merging entity on December 2015 of the seller ISAB Energy S.r.l., sent a notice amending the amounts declared for settlement of the registration tax. This same notice was served on 28 June 2016 to ISAB S.r.l. in its capacity as the jointly and severally liable seller. Essentially, the Agency demanded the rectification of the amount declared by the parties in terms of the registration tax in relation to each of the components of the business unit that was sold and proceeded to redetermine the value of (just) the real estate component consisting of the IGCC plant, measured at approximately EUR 7 million (net of accompanying liabilities of approximately EUR 7 million), and the carrying amount thereof at 30 June 2014 at approximately EUR 432 million, without assessing whether the future results of the business unit that was sold would justify the aforementioned value. The Agency therefore assessed the overall market value of the business unit that was sold at approximately EUR 442 million, instead of the consideration of approximately EUR 25 million declared by the parties, a consideration that is nevertheless higher than the overall market value for the business unit of approximately EUR 13 million, pursuant to a sworn appraisal report by a third party appraiser appointed by ISAB Energy. Based on these assumptions, the Agency assessed a higher registration tax of approximately EUR 37 million, imposing a fine equal to the higher registration tax that was assessed plus interest. As already mentioned, it should be noted that the Agency merely expressed a different estimate of "only" the property, plant and equipment component (IGCC plant) of the business unit, and not the business unit overall, in manifest violation of the regulations contained in the Consolidated Registration Tax Law. In particular, based on the adjustment, the Agency identified only the carrying amount of the IGCC plant, completely disregarding its profitability (whether positive or negative) as part of the business unit in which the plant is expected to be used. Therefore, the Agency disregarded the assumption and appraisal criteria that led the appraiser to determine the purchase price at approximately EUR 13 million, and particularly the lack of cash flows following the termination of the CIP 6 Agreement, and did not consider at all the ascertained negative future profitability of the sold business unit, or the relative badwill (as fully described in the sworn appraisal report, which is already in the hands of the Agency). As the company believes that it is able to formulate valid arguments in its defence, with the assistance of its own tax consultants, it has submitted an appeal to the competent Provincial Tax Commission and applications for both administrative and judicial suspension of the provisional tax demanded in the course of the proceedings (the amount of the provisional tax is equal to approximately EUR 13 million). On 10 August 2016, the Syracuse Provincial Tax Commission ordered the judicial suspension of the provisional tax demanded. The merits hearing was held on 15 November 2016 before the Syracuse Provincial Tax Commission. On 16 May 2017, the Syracuse Provincial Tax Commission annulled the contested act, but re-determined the value of the divested business for the purposes of registration tax to be approximately EUR 71 million (compared to the approximately EUR 25 million declared for the purposes of registration tax). On 17 July 2017, ERG S.p.A. appealed to the competent Regional Tax Commission, requesting the suspension of the effects of the first instance ruling. On 9 September 2017, the Regional Tax Commission rejected the application for suspension. On 13 October 2017, the Provincial Division of the Italian Revenue Agency at Syracuse issued a specific payment order for higher registration tax of EUR 5.1 million, fines of EUR 5.1 million and interest at 10 October 2017 of EUR 0.6 million. An appeal was filed against the aforementioned payment order and, at the same time, an application was made for judicial suspension of the tax collection. On 23 November 2017, the Syracuse Provincial Tax Commission ordered the judicial suspension of the tax collection and fixed the relevant hearing for 15 January 2018. The merit hearing was held on that date, and on 24 January 2018 the Syracuse Regional Tax Commission, sub-office, ordered the appointment of Sebastiano Truglio from Catania as the court-appointed expert. On 7 March 2018, the Syracuse Provincial Tax Commission repaid approximately EUR 2 million of tax due with fines and interest totalling approximately EUR 4.5 million. Following the decision, a new order was issued by the Italian Revenue Agency. On 11 May 2018, the Company appealed against this decision and applied for judicial suspension of the tax collection. The Chairman of the Syracuse Regional Tax Commission set the date for the hearing for the judicial suspension of the tax collection for 17 July 2018; given that the deadline for the payment of the requested amounts with the aforementioned payment order was 15 June 2018 (therefore prior to the hearing for the judicial suspension of the tax collection), ERG S.p.A. was forced to pay approximately EUR 4.5 million (provisional tax demanded in the course of the proceedings). This amount would have had to be repaid by the Italian Revenue Agency in the event of it losing the first level proceeding and it was recorded among the amounts claimed by the Company from the Tax Authority. On 6 May 2019, the court-appointed expert Sebastiano Truglio from Catania transmitted to the parties the draft appraisal report, which presents a negative value of the business sold, hence a lower value than that declared by the Company. On 12 June 2019, the court-appointed expert filed his appraisal report with the Syracuse Regional Tax Commission and duly addressed the observations presented by the Italian Revenue Agency. The appeal before the Syracuse Regional Tax Commission took place on 10 February 2020. On 29 July 2020, the ruling of the Syracuse

Provincial Tax Commission was filed, which – disregarding the findings of the appraisal carried out by the court-appointed expert – upheld the appeals filed by the Provincial Division of the Italian Revenue Agency at Syracuse against the first instance ruling of the Provincial Tax Commission of Syracuse and determined the market value of the company at:

- asset value of EUR 367 million (value determined by the court-appointed expert)

+

- value of commercial goodwill to be determined on the basis of the profitability percentage (the ratio between business income and revenue) applied to the average revenue of the three-year period preceding the transfer of the business, multiplied by two (pursuant to the repealed Article 2, paragraph four, Italian Presidential Decree no. 460/96).

Following the analysis carried out jointly with the tax consultants in charge of the defence, since there were clear profiles of illegality, an appeal was lodged with the Court of Cassation on 7 October 2020 against the ruling of the Syracuse Regional Tax Commission.
The hearing was held on 29 September 2024 and on 17 January 2025 the sentence of the Court of Cassation was published, affirming the following principle of law: "the valuation of business goodwill, for the purposes of determining the taxable base for registration tax, must also take into account, in this case, the negative goodwill. In such cases, the criterion set out in Article 2, paragraph 4, of Italian Legislative Decree no. 460/1996 cannot be applied, as it is based on standard industry studies or the assumption of positive average profitability derived from past financial years. Such a method, even with the reduced multiplier provided therein, is incapable of reflecting a reliable market value for the business in situations where negative goodwill is ascertained at the time of transfer". The ruling upholds the appeal filed by the Company, overturns the contested ruling with regard to the method used by the judges of second instance to determine the value of goodwill, and remands the case to the Court of Tax Justice of second Instance of Sicily – Syracuse branch in a different composition. The court is tasked with assessing and determining, in accordance with the established legal principle, the value of the ascertained negative goodwill and, consequently, the fair market value of the business at the time of the deed (calculated as the company's asset value minus the negative goodwill).

On 9 April 2025, ERG S.p.A. filed an application for resumption proceedings before the Court of Tax Justice of second Instance of Sicily, requesting a judicial stay of collection.
On 12 May 2025, the Court of Tax Justice of second Instance of Sicily granted the Company's application for a judicial stay of collection, without requiring the provision of a guarantee.
On 24 November 2025, the hearing was held, and on 27 November 2025 the ruling of the Court of Tax Justice of second Instance of Sicily, Syracuse branch, was filed. The Court ruled as follows: "Dismisses the cross-appeal, upholds the principal appeal and, consequently, in reform of rulings nos. 2028/07/17 and 2053/07/17 issued by the Provincial Tax Commission of Syracuse, annuls the contested measure identified in the heading. Fully offsets the costs of all levels of proceedings between the parties. Orders the Revenue Agency to reimburse the private parties for the legal costs incurred, in the terms set out in the reasoning".
Specifically, the Court of Tax Justice of second Instance of Sicily held that "the mixed method adopted by the court-appointed expert [Technical Consultant previously appointed in the earlier second-level proceedings] is appropriate in the present case, as it is based on the net asset value as determined above (and to be regarded as covered by res judicata), from which goodwill must be deducted. In this case, goodwill has a negative value (also covered by res judicata and, in any event) for the reasons set out by the court-appointed expert, which are logically consistent and endorsed by the Panel". Therefore, "the difference between EUR 367,249,890.00 [net asset value] and EUR 490,543,811.00 [negative goodwill] clearly results in a negative figure [market value of the business for registration tax purposes]."
On 26 January 2026, the Revenue Agency filed an appeal before the Supreme Court of Cassation against the judgment of the Court of Tax Justice of second Instance of Sicily.
In light of the Court of Tax Justice of second Instance of Sicily, Syracuse branch, the classification as a "remote risk" is confirmed. Consistent with qualifying the risk as remote, the Directors confirm the recognition (and the relative value) of the company's tax asset (approximately EUR 4.5 million paid to the tax authorities for provisional tax demanded in the course of the proceedings) and have not allocated any provision for risks.

NOTE 11 - OTHER CURRENT LIABILITIES

(EUR thousand)	31/12/2025	31/12/2024	Change
Tax liabilities	29,233	15,448	13,786
Other current liabilities	14,165	21,900	(7,735)
Portions of income deferred to subsequent periods	3,851	3,310	540
Employees	7,017	6,733	284
Pension and social security institutions	4,859	4,276	583
Current portion of fair value recognised as part of business combinations	3,124	1,844	1,280
Total	**62,249**	**53,513**	**8,736**

Tax liabilities include tax payables such as VAT liabilities and other tax liabilities. The item does not include liabilities relating to direct taxes, for which reference is made to **Note 42– Current tax assets and liabilities**.
The difference in the item "Other current liabilities" is attributable to lower VAT payables allocated in 2024 in compensation from a supplier who in 2024 had reached a settlement with the Italian Revenue Agency, which were paid during the 2025 financial year (for EUR 5.4 million).

NOTE 12 - US TAX PARTNER LIABILITY

Relevant information on the accounting standards adopted and recognition and measurement criteria

The liability towards the US Tax Equity Partner relates to the agreements (Tax Equity Partnership, TEP) in place within the wind and solar business entities in the US scope. The liability recognised mainly regards the wind energy company as a form of incentive spread over time. The TEP, although based on the issuance of a specific class of shares and thus in the apparent form of an equity instrument, in substance is configured, for the purposes of IAS 32.15-16, as a liability representing the right to use the tax elements, not strictly having the necessary characteristics for classification as an equity instrument (an instrument cannot be classified as an equity instrument if it includes contractual obligations, even if residual, to make cash distributions).

The TEP structure is mainly linked to several elements recorded primarily in the income statement for the financial year, which have an impact on the fair value of the related TEP Liability.

Upon initial recognition and subsequent recognitions, the TEP Liability shall therefore be equal to the net present value of the future tax benefits to be transferred, discounted at the internal rate of return guaranteed to the Partner on the basis of the agreements and the total amount due to the Partner

Elements impacting the fair value of the TEP Liability	Description
Production Tax Credits (PTCs)	The allocation of PTCs to the Partner is derived from the energy generated from time to time during the reporting period. PTCs are recognised under the item Other income, with a corresponding reduction in the US Tax Partner Liability. The item has no impact on the Net Financial Indebtedness.
Tax losses, including tax attributes such as accelerated depreciation for tax purposes.	Under the terms of TEP agreements, the vehicle is required to allocate specific percentages of taxable losses to the Partner. As the amounts are allocated, the obligation to deliver them is fulfilled and a reduction in the US Tax Partner Liability is recorded with a corresponding amount recorded under income taxes in the consolidated income statement.
Financial expense	Financial expense, calculated using the effective interest method, is recognised in the consolidated income statement in relation to the present value of the US Tax Partner Liability. As a balancing entry, the US Tax Partner Liability increases.
"Pay-go" contributions	TEP contracts provide for periodic generation thresholds above which "pay-go" monetary allocations are recognised by the Partner in favour of the vehicle only. These amounts paid increase the value of the US Tax Partner Liability.
Other distributions	The contract also provides for cash distributions to the Partner, to an insignificant extent. At the time of payment, the US Tax Partner Liability is reduced by this amount.

The **US Tax Partner Liability** refers to liabilities arising as part of the Tax Equity Partnership agreement structures of the Pinnacle business combination. In particular, the item includes liabilities to the Tax Equity Partner of the Great Pathfinder Wind, LLC wind project and the Mulligan Solar, LLC solar project.

Below is an illustration of the change in the liability towards the Tax Equity Partner compared to 31 December 2024.

(EUR thousand)	Notes	TEP liability
BALANCE at 31/12/2024		**162,510**
Decrease for Production Tax Credit transferred	2	(24,569)
Decrease for tax losses transferred	41	(10,763)
Increase for financial expense	37	8,263
Increase for "pay-go" allocations		3,263
Decrease for other cash distributions to the Partner		(2,329)
Exchange gains (losses)		(16,589)
BALANCE AT 31/12/2025		**119,785**

NOTE 13 - OTHER NON-CURRENT LIABILITIES

(EUR thousand)	31/12/2025	31/12/2024	Change
Fair value recognised as part of business combinations	31,391	16,805	14,586
Portions of income deferred to subsequent periods	21,113	9,351	11,761
Liabilities for prior year taxes from merger of foreign companies	18,594	18,594	-
Price of Wind Group acquisition	9,821	9,821	-
Other minor items	1,702	1,995	(292)
Total	**82,621**	**56,566**	**26,055**

The change in the item Fair value recognised as part of business combinations refers to the measurement of fixed-price contracts acquired as part of the Broken Cross business combination.

Portions of income deferred to subsequent years includes, among other items, deferred income of EUR 13.2 million and EUR 10.5 million, respectively, equal to the positive fair value component estimated during the initial calibration of the VPPA valuation models signed for the Roccapalumba wind farm in Italy and for the Corlacky wind farm completed in 2025 in Northern Ireland, due to the need to align the fair value at the time of signing to a starting value of zero. The residual components of the fair value of these instruments are recognised under Financial assets measured at fair value and Financial liabilities measured at fair value, for which reference should be made to **Note 32 – Financial assets measured at fair value** and **Note 36 – Financial liabilities measured at fair value**.

NOTE 14 - EMPLOYEE BENEFITS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Employee benefits include the estimated liability relating to the benefits payable to employees when they terminate their employment.

Short-term benefits for employees

Short-term benefits for employees are recognised as a cost at the time at which the service that gives rise to such benefits is performed. The Group recognises a liability for the amount expected to be paid when there is a present, legal or constructive obligation to make these payments as a consequence of past events and it is possible to make a reliable estimate of the obligation.

Post-employment benefits

These are provided through:

- *defined contribution plans: contributions paid to independent institutions that deal with their administrative and financial management are recognised as a cost in profit/(loss) over the period in which the employees work;*
- *defined benefit plans: the sum of future obligations under these plans is based on actuarial assumptions using the projected unit credit method. The calculation is performed by an independent actuary. This calculation is based on assumptions relating to mortality, staff turnover and estimated future salary increases, as well as the specific economic conditions of each country or Group company. The discount rates are determined, at the measurement date, with reference to the yield of investment grade corporate bonds in the relevant geographical segment (or of government bonds in countries where there is no representative market for these corporate bonds).*

Below is a schematic representation of the cases pertaining to the classification of post-employment benefits for IAS 19 purposes based on the main types of post-employment benefits in the light of the introduction of Italian Law no. 296 of 27 December 2006.

Types of Post-employment benefits	Personnel employed in 2006[1]	IAS 19 classification
Post-employment benefits vested up to 31 December 2006[2]	> 50 employees	Defined benefit plan
	< 50 employees	Defined benefit plan
Post-employment benefits vested since 1 January 2007[2]	> 50 employees	Defined contribution plan
	< 50 employees	Defined benefit plan

(1) For newly incorporated companies, the number taken as a reference relates to the first year of business.

(2) Without prejudice to the options to allocate the post-employment benefits to supplemental pension plans.

Termination benefits

The termination benefits are recognised as a cost when the Group has committed without possibility of withdrawal to offer said benefits or, if prior, when the Group recognises the restructuring costs. Benefits entirely due beyond twelve months from the reporting date are discounted.

Liabilities for post-employment benefits, which amounted to EUR 2,521 thousand (EUR 2,714 thousand at 31 December 2024), include the estimated liability related to the post-employment benefits payable to employees upon termination of employment.

(EUR thousand)	31/12/2025	31/12/2024
Opening balance	**2,714**	**3,543**
Revaluation for the year	(92)	(120)
Changes in the year	(101)	(708)
Closing balance	**2,521**	**2,714**

The main assumptions used in determining the actuarial value of the liability are shown below:

	31/12/2025	31/12/2024
Discount rate [1]	4.0%	3.4%
Inflation rate	2.0%	2.0%
Average turnover rate	3.0%	3.0%
Average rate of salary increase	1.5%	1.5%
Average age	45	44

(1) Listing at 31 December 2025 of the iBoxx Corporate EUR benchmark index with a duration of 10+ and AA rating.

The following table shows the impact on the liability of a +/-0.5% change in the discount rate:

(EUR thousand)	31/12/2025	31/12/2024
+0.5% change in discount rate: lower liability	(65)	(79)
-0.5% change in discount rate: higher liability	70	85

III. INVESTING ACTIVITIES

NOTE 15 - AUTHORISATIONS AND CONCESSIONS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Authorisations and concessions include concessions, authorisations and rights to operate wind and solar plants, including any rights to incentives and feed-in tariffs, amortised based on their residual useful life, which can be up to 40 years. These intangible assets are recognised at purchase cost, inclusive of all related charges net of amortisation and any impairment losses as indicated in ***Note 22 – Impairment Test.***

		Classified as assets held for sale
(EUR thousand)	**Authorisations and concessions**	**Sweden**
Historical cost	1,669,800	
Amortisation and impairment losses	(561,875)	
BALANCE AT 31/12/2024	**1,107,925**	
Assets held for sale	**(29,311)**	**29,311**
Changes for the year:		
Change in the consolidation scope	17,730	
Amortisation	(75,146)	(1,020)
Reversals of impairment losses/(Impairment losses)	(46,503)	(25,865)
Reclassifications	(6,078)	
Other changes	(20,456)	
Historical cost	1,622,170	31,607
Amortisation and impairment losses	(674,010)	(29,181)
BALANCE AT 31/12/2025	**948,160**	**2,426**

For greater comprehension, changes during the period relating to reclassifications, disposals and divestments and other changes are shown net of the related accumulated amortisation and impairment losses.

The amounts reclassified to **Assets held for sale** refer to the authorisations and concessions recorded in the purchase price allocation in ERG Sweden Holding AB, as indicated in **Note 44 - Assets and liabilities held for sale**. Note that the reclassified amount refers to the initial balance. It should also be noted that the changes in the year include the impairment loss recorded in application of the international accounting standard IFRS 5.

The change in the scope of consolidation refers to the increase resulting from the Broken Cross business combination, which took place during the first half of 2025. For further details, please refer to **Note 46 – Business combinations**.
Impairment losses include adjustments to the net residual value of intangible assets relating to existing wind farms for which repowering and revamping projects have been launched in Italy and Germany following the granting of the relevant authorisations during the current financial year, as well as adjustments recorded following the impairment test procedure in Spain, for which reference should be made to **Note 22 – Impairment Test for further details**.

The **Other changes** include in particular the change in the exchange rates effect during the year with reference to the carrying amounts of the United States scope.

NOTE 16 - OTHER INTANGIBLE ASSETS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Other intangible assets refer mainly to software licences. Intangible assets are recognised at purchase cost, including all related ancillary charges.

Other intangible assets are amortised over a maximum period of 5 years.

(EUR thousand)	Other intangible assets	Assets under development	Total
Historical cost	58,305	6,093	64,398
Amortisation and impairment losses	(46,783)	-	(46,783)
BALANCE AT 31/12/2024	**11,522**	**6,093**	**17,615**
Changes for the year:			
Capital expenditure	2,198	3,704	5,902
Reclassifications	4,951	(1,887)	3,064
Disposals and divestments	(9)	(70)	(79)
Amortisation	(4,321)	-	(4,321)
Reversals of impairment losses/(Impairment losses)	-	(931)	(931)
Other changes	(437)	(365)	(802)
Historical cost	67,806	6,543	74,350
Amortisation and impairment losses	(53,903)		(53,903)
BALANCE AT 31/12/2025	**13,903**	**6,543**	**20,447**

For greater comprehension, changes during the year relating to reclassifications, disposals and divestments and other changes are shown net of the related accumulated amortisation and impairment losses.

Assets under development at the end of the year, like the main changes in the year, refer to software mainly in ERG S.p.A. and ERG Power Generation S.p.A..

NOTE 17 - GOODWILL

Relevant information on the accounting standards adopted and recognition and measurement criteria

Goodwill acquired in a business combination is not amortised, but is subjected to impairment tests pursuant to the procedures provided for in IAS 36 – Impairment of Assets every year, or more frequently if specific events or changes in circumstances indicate the possibility that there may have been any impairment ("trigger events").

*For more information, see the comments in **Note 22 - Impairment Test**.*

The graph below shows the changes in the item "Goodwill" during the year:

(EUR thousand)	Italy	France	Germany	Spain	USA	UK	Total
BALANCE AT 31/12/2024	**279,701**	**98,108**	**32,391**	**8,668**	**35,122**	**-**	**453,991**
Changes for the year:							
Increases	-	-	-	-	-	3,098	3,098
Impairment losses	(1,608)	-	-	(8,668)	-	-	(10,276)
Exchange gains (losses)	-	-	-	-	(4,780)	(142)	(4,922)
Balance at 31/12/2025	**278,093**	**98,108**	**32,391**	**-**	**30,342**	**2,956**	**441,891**
of which Wind	194,014	82,641	32,391	-	30,342	2,956	342,344
of which Solar	84,079	15,467	-	-	-	-	99,547

At 31 December 2025, this item amounted to EUR 442 million (EUR 454 million at 31 December 2024).

Impairment losses include, as regards Italy, adjustments to the carrying amount of Goodwill relating to solar assets following the formalisation of Revamping projects and, for Spain, adjustments recorded following the Impairment Test procedure. Please see **Note 21 – Amortisation, depreciation and impairment losses** and **Note 22 – Impairment Test** for further details.

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

Relevant information on the accounting standards adopted and recognition and measurement criteria

Property, plant and equipment

These are recognised at purchase cost, inclusive of capitalised financial expense, net of accumulated depreciation and any impairment losses. They are depreciated on a straight-line basis over the estimated useful life.

The assets cost, in presence of current obligations, includes charges for dismantling, assets removal and site restoration to be incurred at the time facilities are abandoned, which are presented as a balancing entry in a specific provision. Financial expenses directly attributable to the acquisition or construction of an asset that justifies capitalisation are included in the cost of the asset itself, in accordance with IAS 23.

The significant spare components consumed by the wind farms and the related accessory costs connected to the replacement activity (mainly lifting and transport, civil works, technical services) are also capitalised as they bring future economic benefits and increase in value of the wind farm. These spare parts are depreciated according to the best estimate between the residual useful life of the wind farm and the technical useful life of the component. The carrying amount of the replaced components is eliminated in accordance with the general rules of 'derecognition', regardless of whether the component has been depreciated separately. More specifically, for the replacement cost, the cost of the replaced part was used as an indication at the time it was purchased, in accordance with IAS 16.70.

Main assumptions – useful life and depreciation

The useful life of property, plant and equipment is reviewed annually and adjusted where the most recent estimate differs from the previous ones. Any changes in estimates relating to the useful life of property, plant and equipment are recognised prospectively. If an item of property, plant and equipment comprises various parts having different useful lives, these parts are recognised separately (significant components).

Freely transferable assets are depreciated over the estimated life of the asset or the concession term, whichever is shorter.

The average depreciation rates applied are as follows:

	%
Wind-power generators	3.33 - 5
Photovoltaic modules	3.33 - 5
Industrial and commercial buildings	2.75 - 5.5
Automation and control systems	10
Lightweight constructions	10
General plant	5 - 10
Motor vehicles, furniture and furnishings	10 - 16
Surface rights and other civil works	3.5
Other miscellaneous goods/equipment	14 - 16

(EUR thousand)	Land and buildings	Plant and equipment	Other assets	Assets under construction	Total	Classified as assets held for sale Sweden
Historical cost	119,923	5,362,289	35,783	137,338	**5,655,334**	
Depreciation and impairment losses	(53,990)	(2,580,608)	(26,317)	-	**(2,660,914)**	
BALANCE AT 31/12/2024	**65,934**	**2,781,681**	**9,467**	**137,338**	**2,994,419**	
Assets held for sale	**(3,849)**	**(62,896)**	-	-	**(66,745)**	**66,745**
Changes for the year:						
Change in the consolidation scope	-	72,364	-	-	72,364	-
Capital expenditure	2,897	92,024	3,017	58,845	156,784	48
Reclassifications	722	82,897	366	(80,971)	3,014	-
Disposals and divestments	-	(5,768)	-	-	(5,768)	-
Depreciation	(3,831)	(174,751)	(2,177)	-	(180,759)	(2,343)
Reversals of impairment losses/ (Impairment losses)	-	(10,758)	-	-	(10,758)	-
Other changes	1,372	(51,681)	49	(11,625)	(61,886)	3,809
Historical cost	121,797	5,441,507	38,757	**103,588**	**5,705,648**	**73,307**
Depreciation and impairment losses	(58,553)	(2,718,396)	(28,034)	-	(2,804,983)	(5,049)
BALANCE AT 31/12/2025	**63,244**	**2,723,112**	**10,722**	**103,588**	**2,900,665**	**68,258**

For greater comprehension, changes during the year relating to reclassifications, disposals and divestments and other changes are shown net of the related accumulated depreciation and impairment losses.

The amounts reclassified to **Assets held for sale** refer to the property, plant and equipment of Furukraft AB as indicated in **Note 44 - Assets and liabilities held for sale**. Note that the reclassified amount refers to the opening balance.

Change in the consolidation scope refers mainly to the aforementioned business combination that took place during the year. For a more detailed analysis, reference should be made to **Note 46 – Business combinations**.

Capital expenditure mainly refers to organic development of approximately EUR 157 million, related to the construction of wind farms, particularly in the United Kingdom, France and Germany, as well as the development of wind repowering, solar revamping and storage projects in Italy.

The item **Reclassifications** mainly refer to transfers into operation of the wind farms that became operational in 2025 in the United Kingdom, France and Italy.

The item **Other changes** mainly relates to a net exchange loss of approximately EUR 70 million recorded during the period, and to an increase of around EUR 4 million due to the capitalisation of financial expenses relating to the organic development of wind farms under construction.

With regard to the existence of restrictions on the assets held by the Group, please refer to **Note 34 – Current and non-current financial liabilities**.

NOTE 19 - RIGHT-OF-USE ASSETS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Leases

The Group's leases, as per the IFRS 16 definition, relate to land, warehouses, properties, equipment, substations and vehicle fleet. Leased assets are recorded in the Consolidated Financial Statements with the recognition of an asset representing the right to use the underlying asset and a liability representing the obligation to make lease payments.

Financial liabilities are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Group uses the incremental borrowing rate (determined as the sum of the Group's credit spread and the forward curve based on Euro area swap rates).

Main assumptions – lease evaluation

The Group uses subjective assessments to determine whether a contract contains a lease. The Group analysed all the lease contracts, defining the lease term for each of them, the "non-cancellable" period.

The Group's leases have an average term of 26 years, with the inclusion for some leases of a renewable option exercisable at the end of the binding period. Others provide for additional payments tied to the change of the local price indices.

In relation to the renewal options, the Group estimated the term of the related lease agreements taking into account the reasonable certainty that the option will be exercised.

Specifically, for land and buildings, this assessment considered the specific facts and circumstances of each asset. With regard to the other categories of assets, mainly corporate cars and equipment, the Group generally deemed improbable that extension or early termination clauses would be exercised in consideration of the practice usually followed by the Group.

						Classified as assets held for sale
(EUR thousand)	Land and buildings	Specific plant	Equipment	Other assets	Total	Sweden
Historical cost	259,243	1,086	198	9,118	269,644	
Depreciation and impairment losses	(44,127)	(244)	(101)	(7,156)	(51,627)	
BALANCE AT 31/12/2024	**215,116**	**841**	**97**	**1,963**	**218,017**	
Assets held for sale	**(3,340)**	-	-	-	**(3,340)**	**3,340**
Increase in right-of-use assets	15,549	-		1,654	17,203	
Increase in right-of-use assets due to business combinations	2,391	-	-	-	2,391	
Derecognition of right-of-use assets	-	-	-	(164)	(164)	
Depreciation for the year	(10,894)	(35)	(50)	(1,586)	(12,566)	(101)
Reversals of impairment losses/(Impairment losses)	(12,270)	-	-	-	(12,270)	
Net exchange losses	(3,940)	-	-	-	(3,940)	
Historical cost	259,243	1,086	198	9,118	269,644	3,542
Depreciation and impairment losses	(56,370)	(279)	(152)	(7,510)	(64,312)	(303)
BALANCE AT 31/12/2025	**202,872**	**807**	**46**	**1,608**	**205,332**	**3,239**

The increase in the item Land and buildings is mainly attributable to the recognition of the right to use the land on which the wind farms built internally are located, including those subject to repowering in Italy, the United Kingdom, France and Germany, as well as the land on which the wind farm acquired during the year is located. For further details on business combinations, please refer to **Note 46 – Business Combinations** in Section **VIII. Other Notes**.

The amounts reclassified to Assets held for sale refer to the rights of use on the land owned by Furukraft AB, as indicated in **Note 44 - Assets and liabilities held for sale**. Note that the reclassified amount refers to the initial balance.

Impairment losses include the adjustments recorded following the Impairment Test procedure in Spain, for which reference is made to **Note 22 - Impairment Test** for further details.

The item **Other changes** includes changes in the value of land in the United States and the United Kingdom due to exchange rate fluctuations during the year.

NOTE 20 - PROVISION FOR DISMANTLING EXPENSES

Relevant information on the accounting standards adopted and recognition and measurement criteria

The Group is required to dismantle the technical equipment and restore the sites. When the obligation arises, the costs of dismantling are capitalised to increase the carrying amount of the asset to which they refer as a balancing entry to the related provision for dismantling. Capitalised costs are allocated to the income statement via depreciation.

The discount rates used for the financial revaluation of the costs of restoring wind and solar farms, depending on the country of reference, are within the range of 2.6%-7.0%

(EUR thousand)	31/12/2025	Increases	Decreases	Change in the consolidation	31/12/2024
Provision for dismantling expenses	91,968	8,672	(6,392)	(943)	90,630

The change for the year is mainly related to new provisions recorded for construction activities, uses related to revamping and repowering activities, and adjustments applied to reflect the best available information, particularly regarding changes in discount rates. The **Change in the consolidation scope** refers to the aforementioned acquisition that took place during the year.

NOTE 21 - AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

Relevant information on the accounting standards adopted and recognition and measurement criteria

Authorisations and concessions are amortised on the basis of their residual duration. Other intangible assets are amortised over a maximum period of 5 years. Property, plant and equipment are depreciated on a straight-line basis over their estimated useful life.

(EUR thousand)	2025	2024	Change
Amortisation of Authorisations and concessions	75,146	72,348	2,798
Amortisation of Other intangible assets	4,321	4,236	85
Total	**79,467**	**76,584**	**2,883**
Depreciation of Property, plant and equipment	180,759	174,827	5,932
Depreciation of right-of-use assets	12,566	11,983	583
Total	**193,325**	**186,810**	**6,515**
Impairment losses (reversals of impairment losses) on Authorisations and concessions	56,780	2,391	54,389
Impairment losses (reversals of impairment losses) on Property, plant and equipment and Right-of-use assets	24,406	7,661	16,745
Total	**81,186**	**10,052**	**71,134**

Amortisation and depreciation refer mainly to wind farms and solar systems.

The increase reflects the full contribution of the new farms acquired during the year and developed internally (EUR 16 million).
The items related to Impairment Losses include the impairment of photovoltaic parks in Spain (EUR 59 million) following the impairment testing procedure and adjustments to the net book value of tangible and intangible assets of existing parks where the Group has decided to undertake repowering and revamping projects in Italy, France, and Germany (EUR 21 million).

NOTE 22 - IMPAIRMENT TESTING

Relevant information on the accounting standards adopted and recognition and measurement criteria

This section provides a description of the impairment tests on the Group's main assets, as required by IAS 36.
In particular, it should be noted that for the verification:

- *of Goodwill, the recoverable amount was assessed at the level of CGU Groups, determined based on the value in use calculated from an estimate of cash flows over the useful life of the assets attributable to the aforementioned Groups, or based on the Fair Market Value.*
- *of property, plant and equipment, intangible assets and right-of-use assets, with finite useful lives allocated to individual CGUs, in accordance with IAS 36, indicators were identified that can provide evidence that an asset may have undergone impairment.*

It should be noted that the recoverable value is also determined by considering the assumptions that a market participant would use in determining the value of the asset being measured.
In addition, it should be noted that, since the goodwill has been allocated to Groups of CGUs, impairment testing is carried out in the following phases:

- *The first impairment test is performed at the level of the individual CGU without goodwill (bottom-up test) and any impairment loss is recognised in the income statement;*
- *The second impairment test is performed on the set of CGUs to which the goodwill relates (top-down test).*

The above tests were carried out in accordance with the Impairment Test Procedure approved by the Board of Directors of ERG S.p.A. on 25 February 2026.

Identification of groups of cash-generating units (CGUs)

For the purposes of impairment testing, the operating segments currently identified by the Group coincide with the different geographical segments in which the Group operates, consistent with the two technologies, wind and solar, used for power generation.
The operating results are analysed according to the following matrix, which identifies the different geographical areas in which the Group operates and the two different technologies.

	Wind	Solar
Italy	✔	✔
France	✔	✔
Germany	✔	–
Poland	✔	–
Romania	✔	–
Bulgaria	✔	–
UK	✔	–
Spain	–	✔
United States	✔	✔

The groups of CGUs were then identified, consistently with the Group's organisational and business structure, as assets that generate independent cash inflows deriving from their continuous use and they follow a dual dimension pertaining, on one hand, to the current reference market, identified in the country where the facilities are located, and, on the other hand, to generating technology, for a total of twelve groups of CGUs.

Goodwill allocated to CGU Groups:

(EUR million)	Italy	France	Germany	United States	UK	Total
Wind	194	83	32	30	3	**342**
Solar	84	15	-	-	-	**100**
Total	**278**	**98**	**32**	**30**	**3**	**442**

The recoverable amount of the CGU Groups to which goodwill is allocated has been verified through the determination of the value in use, calculated using the discounted cash flow method, the cash flow to equity method or the fair market value method, based on the following assumptions:

- the groups of CGUs coincide with the set of wind farms in Italy, France, Germany, the United States and the United Kingdom, and the solar plants in Italy, France, Spain and the United States;
- to determine the value in use, the present value of the expected operating cash flows associated with the CGU Groups has been estimated, based on a period corresponding to the shorter of the expected duration of the land leases, including renewals where applicable under contractual terms or customary business practices, and the economic/technical useful life of the farms[2], taking into account the Life Time Extension (LTE) project undertaken by the Group in relation to assets already in operation. For the new acquisitions made starting from 2021, for the Repowering and Revamping projects and for the new greenfield projects, an average time horizon of 40 years from the

2 The average economic and technical useful life of individual assets is estimated at 30 years for recently constructed plants and 25 years for older plants.

Commercial Operation Date (COD) of the project was considered, in line with the assumptions underlying the investment decision;
- the terminal value may be considered as the present value of the cash flows generated beyond the end of the useful life of the asset. This value also takes into account the estimated residual duration of the relevant authorisations and concessions. The terminal value is therefore implicit in the definition of the time horizon underlying the valuation;
- for the purposes of discounting cash flows, a post-tax sector WACC has been used, differentiated by geographical segments: 5.8% in Italy, 5.5% in France, 5.2% in Germany, 6.7% in the United Kingdom and 6.4% in the United States. The Group applies a post-tax discount rate that reflects current market conditions in terms of cost of capital and the specific risk of the CGUs. The determination of the discount rate takes into account the main relevant financial parameters: the risk-free rate of return, country risk, beta, the debt-to-equity ratio, swap rates and the typical cost of funding for the assets associated with the various CGUs. The inputs used are objective market data and, where appropriate, are based on a panel of comparable companies, in order to reflect both the typical market risk of the sector and a capital structure consistent with market best practice. With reference to the cost of equity (Ke) used to discount the cash flows of the France Solar and Spain Solar CGUs, the values considered are 7.7% and 7.5%, respectively.
- the growth rates used are based on growth forecasts for the Group's industry, taking into account the Group's market share. Changes in sale prices and in direct costs are determined on the basis of past experience and on future market expectations.

In particular, the following were taken into account for the determination of the cash flows:
- the update of the main economic figures and business rationale relating to the so-called "asset based" perimeter over the 2026/2029 time horizon examined by the Board of Directors of ERG S.p.A. on 11 March 2026;
- for subsequent years, the data processed on the basis of models simulating the macroeconomic and energy scenario and assuming a steady production trend.

Taking into account the uncertainty factors related to the current geopolitical and energy context, the Group has conducted its own analyses for each geographical segment, taking into particular consideration the updating of the energy scenario, including in the medium/long term, changes to the discount rate, the risks related to the climate as well as changes in the regulatory scenario.
Specifically, with reference to the requirements set out in the ESMA Public Statement of 14 October 2025, the Group has taken into account, in performing the impairment test, all underlying macroeconomic variables, including those related to the current geopolitical uncertainty. For further details, reference should be made to the information provided in the Risks and Uncertainties section of the Director's Report.

Energy scenario
In the European energy sector, electricity demand has declined over the past 10 years, with weak signs of growth in certain countries, mainly in the digital sector. The electrification of non-electric energy consumption, such as mobility, heating and cooling, and industrial processes, continues to lag behind previous forecasts and is accompanied by a contraction in industrial electricity demand. On the generation side, renewable energy growth rates remain strong, although not yet aligned with the 2030 decarbonisation targets. Photovoltaic, in particular, continues to record significant expansion, while wind power is growing at a slower pace, although it still maintains a higher share of generation than solar. In the main European countries, renewable sources accounted for 45% of total electricity generation in 2025.
The increasing share of renewables, combined with the slower-than-expected electrification of energy consumption, has led to a decline in captured prices for these technologies, with solar energy being particularly affected. This has also affected electricity prices on European markets, particularly during low-demand and high-production periods, such as spring and part of the summer.
The energy sector has experienced a degree of volatility in natural gas prices and, consequently, in electricity prices. Price fluctuations have been influenced by new seaborne gas supply routes (LNG), following the effective cessation of flows from Russian pipelines.
At the same time, there has been a marked increase in the price of ETS emission allowances, driven by growing regulatory pressure and purchases by financial market participants. This, together with gas prices remaining significantly higher than those previously associated with Russian supplies, is resulting in higher energy costs for European businesses compared with international markets, with negative implications for global competitiveness. This situation is leading European governments to propose or adopt measures to contain energy bills for businesses and households, including through limitations on the prices captured by generation assets. For these reasons, the price outlook for the 2026-2030 period is expected to remain highly volatile, particularly if the anticipated electrification of energy consumption is further delayed.

At the date of preparation of these Consolidated Financial Statements, and subsequent to the reporting date, certain external events have occurred that may potentially affect the macroeconomic environment and the energy sector in which the Group operates, in particular:
- the enactment of Italian Decree Law no. 21 of 20 February 2026 (the so-called Energy/Bills Decree Law) and
- the outbreak of armed conflict in the Middle East.

The Energy/Bills Decree Law has the stated objective of containing electricity and gas prices for households and businesses, through interventions in price formation mechanisms and via fiscal measures imposed on operators in the energy sector. Such measures could result in indirect and potentially negative effects on the revenues and margins of renewable energy operators, particularly through a possible reduction in wholesale electricity prices (PUN).
At the date of preparation of these Consolidated Financial Statements, the economic effects of the Decree cannot yet be directly or reliably quantified, as:
- certain measures require coordination and implementation at European level (in particular in relation to the ETS system and market mechanisms);
- the Decree is subject to the legislative conversion process, with possible changes to the scope and intensity of the measures;
- the impact on prospective cash flows depends on external variables (commodity prices, competitive dynamics, customer behaviour) that cannot be isolated or accurately determined.

At the same time, the ongoing conflict in the Middle East represents a further factor of macroeconomic uncertainty. According to market analyses, this event has already led to immediate increases and volatility in energy prices; however, the evolution of its impacts in the short, medium and long term remains highly uncertain and dependent on geopolitical developments that cannot be predicted at present. In the short to medium term, these international dynamics could also generate effects of an opposite nature to those that may be expected in relation to the Energy/Bills Decree Law.
For the purposes of the impairment test, the Group generally determines the recoverable amount of Cash Generating Units based on business plans and long-term forecast cash flows, consistent with the useful life of the underlying assets, which in some cases extends over time horizons significantly exceeding twenty years. In this context, the potentially opposing effects of the two events described above, together with the high degree of uncertainty that characterises them, do not allow, as at the date of preparation of the financial statements, a reliable determination of a specific and structural impact on the cash flows used to estimate the recoverable amount.
In line with IAS 36, the assumptions used in the impairment tests reflect management's best estimates at the reporting date, based on reasonable and supportable information, without incorporating future effects whose probability of occurrence or economic impact cannot be reliably determined.
To this end, these Consolidated Financial Statements includes disclosure on sensitivity analyses, with particular reference to variables characterised by a higher degree of uncertainty, including expected energy prices as well as the financial parameters used to determine the discount rate.
In this context, management believes that the sensitivity analyses carried out on energy prices — and in particular the scenario assuming a 5% reduction in total energy sales revenues compared with the reference values — may incorporate, albeit indicatively, the potential indirect economic effects that cannot be precisely quantified and that are attributable to the measures introduced by the Energy/Bills Decree Law.
Conversely, as already noted, the ongoing geopolitical conflict could lead, at least in the short term, to energy price dynamics of the opposite nature, characterised by increases and greater volatility, the evolution of which in the medium to long term cannot currently be reliably predicted.

Discount rate

The discount rate estimation method used by the Group provides that:

- specific rates are determined for each Group of CGUs, in line with the configuration of the expected flows;
- the rates are updated twice a year (in the annual and half-yearly financial statements) regardless of the extent of the change compared to the last approved rate;
- the country risk component is included in the discount rate.

If the cash flows used for valuation purposes are not representative of the average expected flows, the WACC must be increased by a premium aimed at considering the greater risk.
In summary, the Group has divided the estimation process into two main phases (i) Definition of the comparable basket for each Group of CGUs; (ii) Calculation on the basis of the baskets identified of the parameters for determining the return on risk capital, the cost of debt and the capital structure for each group of CGUs.
In consideration of the above, the discount rates determined in line with the calculation method used for the impairment test carried out for the 2024 Consolidated Financial Statements were used.

The verifications carried out for the purposes of these Consolidated Financial Statements showed, for all the groups of CGUs assessed, a positive difference (headroom) between the recoverable amount[3] and the carrying amount[4]:

(EUR million)

CGU Group	Headroom(1)
Wind Italy	770
Solar Italy	1
Wind France	202
Solar France	3
Wind Germany	17
Wind United Kingdom	88
Wind United States	86

(1) positive difference (headroom) between the recoverable amount and the carrying amount.

3 Recoverable amount including non-controlling interests.
4 The carrying amount corresponds to the Net Invested Capital and is determined by the algebraic sum of the Non-current Assets (including Goodwill), Net Operating Working Capital, Liabilities related to Post-employment Benefits, Other Assets and Other non-financial liabilities, and the Right of Use of assets, including the related tax effect, of all the companies within the group of CGUs, including the consolidation entries consistent with the Group Consolidated Financial Statements but considering the different sub-aggregation of data corresponding with the group of CGUs.

With regard to Spain Solar, it should be noted that in recent financial years the reference environment has been characterised by significant volatility in energy prices and uncertainty in the forward-looking projection of economic and market scenarios, as well as in the development of the renewables sector and the level of penetration of RES in the medium to long term. In light of this context, and in line with the approach already adopted in the 2024 Financial Statements, the recoverable amount has been determined using Fair Market Value. To support the valuations carried out, an independent third party was also engaged to perform a valuation exercise, which confirmed the Group's assessments. The fair value has been classified as Level 3, considering the nature and significance of the inputs used in the valuation techniques applied.

The update of these valuations, carried out in light of the most recent market evidence, has identified a reduction in the recoverable value of the Spanish solar assets. This is attributable, on the one hand, to the persistence of an unfavourable economic scenario, which during the last financial year saw, in particular, an increase in the occurrence of negative prices, and, on the other hand, to a reduction in the production levels of certain assets, particularly those acquired less recently. In view of the volatility already described, no development initiatives currently under consideration by the Group have been included in the forward-looking plans. In light of these factors, the recoverable amount of the CGU was lower than its carrying amount by a total of EUR 46 million (net of tax effects). In accordance with the criteria set out in IAS 36, an overall impairment loss of EUR 46 million was therefore recognised, through:

- the full impairment of the goodwill allocated to the Spain Solar CGU Group for EUR 9 million;
- the partial impairment of intangible assets with a finite useful life and right of use assets, allocated to Spanish solar assets, for EUR 50 million (EUR 38 million net of tax effects).

Fair Market Value assessments were also carried out for the solar assets in France, for which the value in use was lower than the carrying amount at the end of the year. The recoverable value thus determined was higher.

Sensitivity analysis

The result of the impairment test derives from the estimates made by Group management on the basis of the information available to date and the assumptions shown in the previous section. The most uncertain assumptions for which subjective assessments are more usually required regard in particular those relating to:

- the identification of expected energy prices;
- the estimate of the financial parameters used to determine the discount rate;
- the assessment of the availability of renewable resources;
- changes in the reference legislative and regulatory framework, which, due to price control regulations, could constitute a risk factor.

The Group took account of the aforesaid uncertainties in developing and defining the basic assumptions used to determine the recoverable amount of the gains allocated to the segments examined, and also carried out a sensitivity analysis on the recoverable amount of the groups of units. This analysis assumed two scenarios:

- that total revenue from sales of energy (i.e. energy remuneration and generation) could undergo a decrease of an estimated 5% compared to the values estimated for the Plan;
- that the discount rate[5] used could be increased by 1 percentage point.

(EUR million)

CGU Group	-5% Revenue	+1% Discount rate
Wind Italy	(140)	(250)
Solar Italy	(22)	(18)
Wind France	(59)	(79)
Solar France	(5)	(2)
Solar Spain	(12)	(13)
Wind Germany	(27)	(30)
Wind United Kingdom	(29)	(71)
Wind United States	(20)	(40)

The recoverable amount would be equal to the reference carrying amount (headroom equal to zero) under the following assumptions of a reduction in revenue for the respective CGU Groups:

- Italy Wind: -31%
- Italy Solar: -3%
- France Wind: -16%
- France Solar: -3%
- Germany Wind: -3%
- United Kingdom Wind: -16%
- United States Wind: -21%

5 For assets measured at fair market value (solar assets in Spain and France), the Ke was taken into consideration.

The recoverable amount would be equal to the reference carrying amount (headroom equal to zero) in the following WACC[6] increase assumptions for the respective groups of CGUs.

- Italy Wind: 11%
- Italy Solar: 7%
- France Wind: 8%
- France Solar: 1%
- Germany Wind: 6%
- United Kingdom Wind: 8%
- United States Wind: 8%

The above analyses confirm the sensitivity of the assessments of the recoverability of non-current assets to changes in the aforesaid variables; in this context, the Directors will systematically monitor changes in the aforesaid external, uncontrollable variables in order to make any necessary adjustments to the estimates of the recoverability of the carrying amounts of goodwill in the Consolidated Financial Statements.

Testing of intangible assets with finite useful lives and of Property, plant and equipment and Right-of-Use Assets

For the purposes of the 2025 Consolidated Financial Statements, the Group verified whether there are any indications that either property, plant and equipment or intangible assets with finite useful lives may have become impaired. To this end, it is specified that for the ERG Group:

- property, plant and equipment are represented by the electricity generation plants of different technologies (wind farms and solar systems in Italy and abroad);
- intangible assets are mainly represented by the residual value of the values[7] allocated in the purchase price allocation and recorded as increases in the value of the concessions, authorisations and rights to operate wind farms and solar systems, including any rights to incentive tariffs for plants in operation.

In line with the previous years, these values are allocated to the individual reference CGU represented by the individual legal entities and/or business combinations that generated them.
In accordance with IAS 36, the group identified a list of indicators, which can indicate that an asset may have become impaired (trigger events). For this purpose, both internal and external sources of information have been considered:

- With regard to internal sources, the following were taken into consideration: (i) obsolescence or physical deterioration of the asset, (ii) significant internal changes with negative effects occurring in the year or expected in the near future, and (iii) evidence from internal reports that the performance is or will be lower than the Budget expectations.
- With regard to external sources, on the other hand, the following are considered: the trend in market prices of the assets, any technological, market or regulatory discontinuities, market interest rate trends and the carrying amount of net assets above market capitalisation. To verify this information, a synthetic indicator was also identified ("profitability indicator") calculated by discounting the sum of the operating cash flows (gross operating profit or loss) for the residual observation period, determined on the basis of the same procedures and assumptions already commented in the previous paragraph for Goodwill testing. To also capture the related tax effects, the indicator is net of notional taxes on gross operating profit or loss.
  The indicator thus calculated is compared with that of the previous year in order to verify the potential impairment loss, pursuant to the provisions of paragraph 15 of IAS 36. Lastly, the Group verifies that the carrying amount of the Group's net assets is not higher than the stock market capitalisation.

If the comprehensive analysis of the indicators shows that both property, plant and equipment and intangible assets with finite useful lives may have become impaired, the recoverable amount will be determined and compared with the carrying amount.
The recoverable amount for the individual CGUs is calculated as the value in use with the same procedures and assumptions already commented on in the previous section for Goodwill testing.
If this amount is lower, the carrying amount of the assets would be reduced to the related recoverable amount with the exception of the cases in which fair value net of costs to sell was higher.

Following the impairment tests already described on solar assets, the Group recognised a total impairment loss of EUR 50 million (EUR 37 million net of tax effects), attributable to the reduction in the recoverable amounts of the Cash Generating Units.
In particular, the impairment loss refers refers for EUR 12 million to Rights of Use and for EUR 37 million to the item *Authorisations and concessions*. The impairment resulted in an overall positive tax effect of EUR 13 million, recognised under deferred taxes.

Recoverable amount of groups of CGUs

Finally, it should be noted that, even if not expressly required by IAS 36, Group Management proceeded to determine the recoverable value, understood as value in use, of the CGU Groups to which no goodwill is allocated, comparing it with the related carrying amount. No impairment emerged as a result of this test.

6 For assets measured at fair market value (solar assets in France), the Ke was taken into consideration.
7 Values relating to business combinations carried out by the Group over the years.

NOTE 23 - EQUITY INVESTMENTS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Associates

These are companies in which the Group exercises significant influence, but not control or joint control, over financial and operating policies, as defined by IAS 28 – Investments in associates and joint ventures. The Consolidated Financial Statements include the Group's share of the results of the associates, measured under the equity method, starting from the date when significant influence starts until the time when it ceases to exist. If the Group's share of the associate's losses exceeds the carrying value of the equity investment in the Consolidated Financial Statements, the equity investment is fully impairment and the share of additional losses is not recognised, except and to the extent to which the Group is obligated to be liable for them.

(EUR thousand)	Measured at equity	Measured at cost	Total
Equity investments:			
- in subsidiaries not consolidated on a line-by-line basis	-	404	**404**
- in associates	390	-	**390**
- in other companies	-	469	**469**
Total	**390**	**873**	**1,262**

(EUR thousand)	Equity investments			
	Subsidiaries not consolidated on a line-by-line basis(1)	Associates	Other companies	Total
31/12/2024	**340**	**428**	**465**	**1.233**
Changes for the year:				
Acquisitions/share capital increases/increases	74	-	5	**78**
Impairment losses/utilisation of loss allowances	(10)	-	-	**(10)**
Company measured with equity method	-	(38)	-	**(38)**
31/12/2025	**404**	**390**	**469**	**1.262**

(1) This item includes non-operating companies.

For more details on the changes during the period, please refer to **Note 49 – List of Group companies and transactions of the year.**

NOTE 24 - NET GAINS (LOSSES) ON EQUITY INVESTMENTS

(EUR thousand)	2025	2024	Change
Net gains (losses) on equity-accounted investments	**(38)**	**(26)**	**(12)**
Dividends from other companies consolidated at cost	-	39	(39)
Price adjustment for sale of equity investment	4,089	(1,350)	5,439
Impairment losses on equity investments	-	(1,005)	1,005
Allocation to provision for risks on equity investments	(116)	(637)	521
Total Other net gains (losses) on equity investments	**3,973**	**(2,953)**	**6,925**
Total	**3,935**	**(2,979)**	**6,913**

The **net losses on equity-accounted investments** concern a company that resulted in a negative adjustment of EUR 38 thousand.
The item **Adjustment for sale of equity investments** includes a positive price adjustment recorded in the 2025 financial year relating to the sale of an equity investment completed in previous years, which was simultaneously impaired due to uncertainty regarding the collectability of the amount due.
It should be noted that in 2024 the item included a negative price adjustment relating to the aforementioned sale.

NOTE 25 - OTHER NON-CURRENT FINANCIAL ASSETS

(EUR thousand)	31/12/2025	31/12/2024	Change
Tied receivables - the Escrow Account – Italian Law no. 488/92 grants	24,240	24,240	-
Security deposits and other financial assets	26,129	23,986	2,143
Total	**50,369**	**48,226**	**2,143**

Tied receivables – Escrow Account Italian Law no. 488/92 grants relate to the sums deposited by the Group awaiting the decision of the Naples Court of Appeals and other competent courts, with reference to grants pursuant to Italian Law no. 488/92 relating to wind farms acquired as part of the ERG Wind transaction. With respect to the aforesaid amounts, a liability of an equal amount has been allocated and it was recognised in the 2013 Consolidated Financial Statements as part of the purchase price allocation as a potential adjustment to the acquisition price of the ERG Wind Group (as illustrated in **Note 13 – Other non-current liabilities**).

Italian Law no. 488/92 grants of ERG Wind

In the period from 2001-2005, prior therefore to the acquisition by ERG Renew S.p.A. (now ERG Power Generation S.p.A.) of the companies belonging to the International Power Group, funds were assigned to these companies pursuant to Italian Law no. 488/1992 totalling EUR 53.6 million in relation to some projects for the construction of wind farms.
In the first half of 2007, an investigation was initiated by the Public Prosecutor at the Court of Avellino in relation to the allocation of these grants with specific reference to the alleged falseness of certain of the documents provided with the grant application.
In 2007, the attachment of the Italian Law no. 488/1992 incentives still to be provided was ordered (EUR 21.9 million) and on 30 September 2008 the Public Prosecutor ordered the precautionary attachment of seven wind farms. Following the deposit of an amount equal to EUR 31.6 million by the involved companies, in January 2010 the wind farms which had been under precautionary attachment were released, upon attachment of the aforementioned amounts.
These amounts were then transferred to the Escrow Account.
The first instance proceedings were opened in 2012 before the Criminal Section of the Court of Avellino against the aforementioned companies and other defendants.
These proceedings were concluded in December 2020 with a ruling that ordered (i) the acquittal of/nonsuit against all natural persons; (ii) the acquittal of some companies with reference to 2 projects with immediate repayment of the amounts subject to preventive attachment, equal to approximately EUR 7.4 million and (iii) the conviction of some companies with reference to 7 projects, with confiscation of the amounts relating to the grants pursuant to Italian Law no. 488/92 disbursed to the same and already deposited with the Escrow Account (Fondo Unico di Giustizia – FUG) for a total amount of approximately EUR 24.2 million, with the provision of administrative pecuniary sanctions, for a total amount of approximately EUR 0.5 million, and 1-year interdiction orders. The confiscation and the sanctions indicated above are not immediately enforceable until the judgement becomes final.
The convicted companies have appealed against the Avellino Court's ruling. The case is pending before the Naples Court of Appeal and the hearing, scheduled for 24 June 2025, has been postponed to 11 November 2025. By contrast, the Public Prosecutor did not appeal the ruling, which therefore became final in the part which acquits ERG Wind Sicilia 3 S.r.l. and ERG Wind Sicilia 2 S.r.l. (the latter in relation solely to the Camporeale project). In March and April 2014 the companies that were the recipients of the incentives pursuant to Italian Law no. 488/1992 received from the Italian Ministry of Economic Development the orders communicating the initiation of the procedures to revoke the aforementioned incentives.
On 6 February 2015, extraordinary appeals were served against the ministerial cancellation decrees, with simultaneous petition for the precautionary suspension of the enforceability of the contested measures.
On 27 July 2015, the beneficiary companies were issued with payment notices relating to the return of the incentives. Said notices were challenged with the submission of opposition proceedings before the Court of Genoa.
As part of said proceedings, the Civil Judge ruled the tax assessments suspended against the submission of bank guarantees for the entire value of the latter (EUR 49 million). At the hearing of 23 October 2018, the Civil Judge, noting the prejudicial nature of the proceeding initiated with the extraordinary appeal before the President of the Republic of Italy, ordered the suspension of the civil proceedings while the administrative case is pending.
The proceedings subsequent to the filing of the extraordinary appeals to the Italian Head of State are also still pending and, despite the reminders filed by the applicants, the decision on the appeal and on the merits did not take place during 2024 with the exception of the extraordinary appeal brought by ERG Wind 6, which was declared inadmissible in 2022 due to lack of jurisdiction of the administrative judge. This is a partially different judgment from the others in that the contributions pursuant to Italian Law no. 488/92 were never paid to the company and therefore the revocation decree implied only the definitive loss of the contributions not paid, but had no economic impact on the company. On 11 December 2024, the meeting was held to discuss the outstanding extraordinary appeals, in view of which the companies filed briefs with a request to postpone the decision pending the outcome of the criminal proceedings pending before the Court of Appeal of Naples. As of now, there is no evidence of the decision made in the meeting of 11 December 2024, as no ruling has yet been communicated to the appellant companies. In light of the precedent set by ERG Wind 6, it cannot be ruled out that the administrative court may also declare a lack of jurisdiction in this case, which would allow the appellant companies to reopen proceedings before the civil court.
*In view of: (i) the guarantees issued by the seller of the companies of the International Power Group to ERG in the contract of transfer of the investments in these companies, (ii) the settlement agreements concluded between said seller and ERG, dated 19 December 2016 and 15 March 2024 respectively, in which these guarantees were confirmed and further detailed, and (iii) the fact that in the 2013 Consolidated Financial Statements a liability for an amount corresponding to the nominal amount of the incentives for which the Italian Ministry of Economic Development is requesting the return (see definition of the purchase price allocation as a potential adjustment to the acquisition price of the ERG Wind Group (**Note 13 – Other non-current liabilities**) had already been allocated, further provisions are not required.*

IV. PROVISIONS AND CONTINGENT LIABILITIES

Relevant information on the accounting standards adopted and recognition and measurement criteri
The amounts recorded in the Provision for Disposed Businesses for existing obligations or for risks relating to previous industrial activities at the date of these Consolidated Financial Statements are measured on the basis of the best estimate of the financial outlay that will be necessary to fulfil the obligation. Changes in estimates are reflected in the income statement in the year in which the change occurs.

NOTE 26 - PROVISION FOR DISPOSED BUSINESSES

(EUR thousand)	31/12/2025	Increases	Decreases	31/12/2024
Provision for disposed businesses	82,315	1,720	(1,753)	82,349

The **Provision for disposed businesses** mainly includes tax, environmental or legal provisions deriving from the Group's transactions before 2018, the year in which the Group completed its industrial transformation process, initiated in previous years, which led to its definitive exit from OIL businesses.
This process comprised two fundamental steps:
- the sale of the last interest held in ISAB S.r.l., on 30 December 2013, which marked the exit from the **Coastal Refining** business;
- the sale of the Group's interest in TotalErg S.p.A., on 10 January 2018, which determined the exit from the **Integrated Downstream** business.

This strategic restructuring of the Group was accompanied by the sale of the **hydroelectric business**, with the company ERG Hydro S.r.l., which took place on 3 January 2022, and the sale of the **thermoelectric business**, with the company ERG Power S.r.l., which took place on 17 October 2023. A total of EUR 3 million has been allocated to manage the final impacts of the aforementioned divestments and any costs associated with the ongoing redefinition of the Group's strategic structure.

Although the ERG Group is no longer an active operator in the above-mentioned sectors, there are still remaining liabilities tied to the previous industrial activity and not yet fully defined.

The following summarises the key topics underlying the most significant provisions, amounting to EUR 75 million, related to the **Coastal Refining** business:
- regarding the ongoing **dispute** between ERG Raffinerie Mediterranee (now ERG S.p.A.) and the Italian Tax Authorities over the application of harbour duties for embarkation and disembarkation rights at the Santa Panagia jetty, on 6 April 2011 the Syracuse Provincial Tax Commission partially upheld the Company's appeal and ruled that harbour duties through 2006 are not due, finding them to be due from 2007 onwards. The first level ruling was challenged within the deadline by the Customs Agency and by ERG with appeal relative to the period subsequent to 2006. The appeal decision, issued by the Regional Tax Commission and filed on 27 May 2013, amended the first level decision unfavourably for ERG. Following a thorough evaluation of the reasons for the appeal decision, the Company decided to appeal before the Court of Cassation, deeming its own arguments to be well grounded (in particular with regard to the notion of "harbour" in accordance with Italian Law no. 84/94 and to the alleged novating or retroactive validity of Article 1, paragraph 986 of the 2007 Italian Budget Law). On 4 November 2013, the Syracuse Regional Tax Commission allowed the request to suspend the effectiveness of the appeal decision, requiring the issue of a first demand insurance guarantee in favour of the Customs Agency. In the court order issued on 30 September 2019, the Court of Cassation ruled favourably on the appeal filed by the company and, consequently, rejected – overturning – the contested decision by the Regional Tax Commission. The proceedings were therefore continued within the terms prescribed by law before the Regional Tax Commission so that the latter – which has changed in composition since the previous hearing – may once again examine the merits of the case. A date for the hearing is still pending. From 2007, the relevant taxes were recognised in the Income Statement on an accrual basis.
- with reference to **environmental risk,** with regard to the South Site the likelihood of exposure to contingent liabilities is deemed remote, as the risk has already been limited by the settlement reached with the Italian Ministry of the Environment in August 2011 and registered by the Court of Auditors on 20 December 2011, and by the Settlement Agreement signed on 30 December 2013 between ERG S.p.A. and Lukoil. With regard to the North Site, depending on the double guarantee scheme deriving both from the agreement executed with ENI (previous owner of the site), and the agreement executed with Lukoil (new owner), the risk is as follows:
  - ii. for potential environmental damage prior to 1 October 2002, ENI is liable indefinitely;
  - iii. with reference to potential damages relating to the period after 1 October 2002, ERG will be liable – without time limitations – only for potential damages linked to events known at the time of signing the contract with Lukoil and expressly identified therein ("Known Environmental Matters"), it being understood that, up to an amount of EUR 33.4 million, the expenses related to the compensation of such damages will be shared between ERG and Lukoil (51% and 49%), while beyond this amount ERG will be charged in full for any additional charges.

  On 9 September 2017, the Italian Ministry for the Environment warned some of the companies of the Priolo site, including ERG Power S.r.l. and ERG Power Generation S.p.A., to clean up the Augusta Harbour. The request is unlawful and has therefore been contested before the Administrative Court (the hearing for the presentation of the arguments has yet to be set).
  On 30 October 2020 and subsequently on 11 June 2021 and 30 May 2022, ERG Power S.r.l. and ERG Power Generation S.p.A. served notice of three further appeals for additional reasons, for the cancellation, respectively of (i) protocol no. 0064419 of 14 August 2020 in which the Italian Ministry of Environment and Protection of Land and the Sea called a preliminary conference of services to evaluate the report prepared in January 2020 by Ispra and IAS-CNR, regarding the "Site of national interest of Priolo Augusta Harbour" and (ii) the decree of the

Italian Ministry of Ecological Transition, General Management and Environmental Remediation protocol no. 50 of 15 April 2021, in which the Ministry approved the Ispra and IAS-CNR report, deeming the document a suitable basis on which to draft a remediation plan for the Augusta Harbour; and (iii) protocol no. 42114 of 1 April 2022 with which the Ministry of Ecological Transition – Directorate General for the Sustainable Use of Soil and Water Resources, forwarded the intervention plan for the definition of sediment intervention values in the Augusta Harbour (Priolo SIN), drawn up by ISPRA. These acts were challenged because the Italian Ministry's initiative was undertaken on the basis of the same (incorrect) assumptions, which formed the basis of the caution of 2017, already challenged by ERG Power S.r.l. and ERG Power Generation S.p.A. In its ruling published on 27 December 2023, the Administrative Judge dismissed the aforesaid appeals, stating that the contested actions are of an intra-procedural nature and, as such, are not capable of producing – in an immediate and direct manner – effects on the legal sphere of the appellants and therefore cannot be independently challenged. The companies will therefore be able to legitimately challenge the final acts of the proceedings that would impose on them obligations to clean up the Augusta Harbour. Following discussions also with the other operators on the site, on 27 March 2024 ERG Power Generation S.p.A. and B2G Sicily S.r.l. (formerly ERG Power S.r.l.) filed a precautionary appeal to the Administrative Justice Council (CGA) for Sicily, in order to obtain a reform of the part of the ruling in the event that it could be interpreted as recognition of the existence of a liability on the part of the operators for the pollution present in the Augusta Harbour. A date for the hearing is pending. ERG S.p.A. is not party to the proceedings, but the environmental topics relating to the Augusta Harbour arise in the context of the environmental guarantees present in the various contracts with ENI and Lukoil;

- finally, a smaller portion of the provisions relates to claims arising from the former refining business, amounting to EUR 0.9 million, which are being held to cover the payment in 2026 of the amounts relating to the November 2025 ruling that closes the dispute in question.

With reference to the exit from the **integrated downstream** business, the Provision for disposed businesses includes provisions of EUR 4.3 million relating to guarantees granted to the purchaser on past contingent liabilities (retained matters and other past contingent liabilities), based on the best estimate of the charge based on the information available to management and taking into account the large number of underlying elements and all possible outcomes of the related issues.

NOTE 27 - OTHER PROVISIONS

Relevant information on the accounting standards adopted and recognition and measurement criteria

The amounts recorded under Other provisions against obligations existing at the reporting date are measured on the basis of the best estimate of the financial outlay that will be necessary to fulfil the obligation. Changes in estimates are reflected in the income statement in the year in which the change occurs.

The other categories of provisions reflect the measurement of probable liabilities related to some pending disputes for which it was possible to make a reliable estimate of the corresponding expected obligation. For these provisions, no discounting was applied because of the uncertainty about the utilisation times.

(EUR thousand)	Non-current portion	Current portion	31/12/2025	Increases	Decreases	Reclassifications	Change in the consolidation	31/12/2024
Provision for tax risks	23,041	1,725	24,766	156	(5,080)	-	-	29,690
Provision for institutional counterparty risks	-	20,392	20,392	-	(3,260)	(1,844)	-	25,496
Provision for legal risks	1,048	2,312	3,359	396	(14)	-	-	2,977
Other provision for risks and charges	5,098	5,462	10,560	3,203	(2,734)	1,844	573	7,674
Total other provisions	**29,187**	**29,892**	**59,078**	**3,755**	**(11,088)**	**-**	**573**	**65,837**

The **Provision for tax risks** includes provisions for risks recognised in connection with acquisitions in previous years and provisions from previous years for tax risks on foreign companies, and the allowance relating to the existing dispute and to the potential dispute in relation to local taxes brought as a result of the different interpretation provided by the Italian Revenue Agency regarding application of the regulatory provisions introduced by Italian Law no. 208/2015 (in particular, wind towers are considered by the Italian Revenue Agency to be relevant for the purposes of calculating cadastral rent).
The decrease for the year mainly refers to the release of provisions for risks recognised in connection with certain acquisitions that occurred in previous years for which the requirements that originally led to their recognition are no longer met.

The **Provision for institutional counterparty risks** mainly refers to charges related to interest and revaluations on the grants under Italian Law no. 488/1992 (EUR 20 million), relating to wind farms acquired as part of the ERG Wind transaction and revoked by the Italian Ministry of Economic Development, as described in more detail in **Note 25 – Other non-current financial assets**. It should be noted that the risks associated with the revocation of the aforementioned grants are covered in the ERG Wind acquisition agreements by specific indemnity obligations issued by the seller and therefore the related receivable was allocated to **Other non-current assets**;
The change in the year mainly consists of releases relating to potential charges in Romania and Poland for which the requirements that originally led to their recognition no longer exist.

The **Provision for legal risks** mainly relates to provisions for risks relating to the wind and solar businesses.

The item **Other provisions for risks and charges** mainly refers to risks on potential higher contractual charges as well as risks relating to disputes involving some foreign companies. The increase refers to the reclassification of a liability previously recorded under investment liabilities, in view of a dispute currently in progress. The decrease mainly refers to the use or release of provisions for sundry risks and charges in some Italian and French companies for which the requirements that had originally led to their recognition are no longer met. The increase in the change in the consolidation scope refers to the recognition of a provision for potential future charges identified in connection with the acquisition during the year.

NOTE 28 - CONTINGENT LIABILITIES AND DISPUTES

ERG is a party in civil, administrative and tax proceedings and legal actions connected with the normal course of its operations. Where no explicit mention is made of a provision, the Group has assessed the corresponding risk as possible and provides the relevant information.
The notes to the financial statements must disclose the significant contingent liabilities represented by:

- possible (but not probable) obligations arising from past events, the existence of which will be confirmed only upon occurrence of one or more uncertain future events not wholly within the company's control;
- present obligations arising from past events the amount of which cannot be reliably estimated, or for which it is probable that settlement will not be onerous.

For the purposes of these Consolidated Financial Statements, there are no obligations falling within the definition described above.

V. FINANCING ACTIVITIES

Own funds

NOTE 29 - EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT

The change in equity during the year is shown below:

(EUR million)

Equity attributable to the owners of the parent	31/12/2024	Share-based payments	Dividends	Share buy-back	Changes in other reserves	Hedging reserve	Non-controlling interests	Profit (loss)	31/12/2025
	2,147	4	(145)	(12)	(58)	(27)	7	65	1,980

(EUR thousand)	31/12/2025	31/12/2024
Share capital	**15,032**	**15,032**
Share premium reserve	74,543	74,543
Revaluation reserves	66,946	66,946
Legal reserve	3,236	3,236
Hedging reserve	11,535	38,795
Translation reserve	(50,482)	6,792
Reserve for treasury shares in portfolio	(109,728)	(97,939)
Other reserves	1,645,895	1,593,929
Total Reserves	**1,641,944**	**1,686,302**
Retained earnings	258,198	258,198
Profit for the year	64,957	187,087
Equity attributable to the owners of the parent	**1,980,131**	**2,146,618**
Non-controlling interests	65,349	76,481
Equity	**2,045,480**	**2,223,099**

The **"Share premium reserve"** consists of the share premium paid by the shareholders for the subscription of the shares relating to the share capital increases carried out on 14 October 1997, 2 July and 5 August 2002.

Revaluation reserves refer to the revaluation pursuant to law of property, plant and equipment carried out in previous years.

The **Hedging reserve** reflects the effect of the derivatives hedging ongoing loans. With reference to the impact on the statement of comprehensive income of hedging derivatives in the amount of EUR 31 million, please refer to the **Statement of comprehensive income**.

The **Reserve for treasury shares in portfolio** includes the cost of the parent's shares held by the Group, the movement of which over the year is detailed on the following pages.

Other reserves comprise mainly:
- the goodwill generated by the 2015 merger of ISAB Energy S.r.l. into ERG S.p.A. amounting to EUR 66 million;
- the monetary revaluation reserve, which as from 2015 includes the reconstitution of the monetary realignment reserve of the former ISAB Energy S.r.l. as per Italian Law no. 266/05 for an amount of EUR 29 million;
- the goodwill generated by the 2010 merger of ERG Raffinerie Mediterranee S.p.A. and ERG Power & Gas S.p.A. into ERG S.p.A., equal to EUR 446 million, which had been partly allocated to the "2010 merger goodwill" reserve (EUR 251 million) and partly to reconstitute the specific equity reserves (EUR 195 million) subject to tax on distribution;
- the consolidation reserve for EUR 1,314 million.

Share capital
The fully paid-in share capital at 31 December 2025 consisted of 150,320,000 shares with a par value of EUR 0.10 each for a total of EUR 15,032,000 (unchanged since 31 December 2024).

At 31 December 2025, the parent's Shareholders' Register, in relation to shareholders holding significant equity investments, shows the company SQ Renewables S.p.A. as the owner of approximately 63% of the share capital, unchanged compared to 31 December 2024.

The shareholding structure of ERG S.p.A. is shown below:

	No. of shares	%
Share capital	**150,320,000**	**100%**
SQ Renewables S.p.A.	94,000,000	62,533%
ERG S.p.A. (treasury shares)	4,965,240	3,303%
Others lower than 3%	51,354,760	34,164%
Total	**150,320,000**	**100%**

Treasury shares

Relevant information on the accounting standards adopted and recognition and measurement criteria

Treasury shares are presented as a reduction in equity.
In case of buy-back of shares recognised in equity, the consideration paid, including the costs that can be directly attributed to the transaction are recognised as a reduction in equity. The shares thus bought back are classified as treasury shares and recognised in the reserve for treasury shares. The consideration received from the subsequent sale or re-issue of treasury shares is recognised as an increase in equity. Any positive or negative difference deriving from the transaction is recognised in the share premium reserve.

On 23 April 2024, pursuant to Article 2357 of the Italian Civil Code, the Ordinary Shareholders' Meeting authorised the Board of Directors, subject to revocation, for the period still remaining, of the previous authorisation resolved by the Shareholders in the meeting on 26 April 2023, for a period of 18 months effective from 23 April 2024, to repurchase treasury shares up to a revolving maximum (i.e. the maximum amount of treasury shares held from time to time in the portfolio) of 15,032,000 ordinary ERG shares with a par value of EUR 0.10 each, at a unit price, including ancillary purchase charges, not lower than 30% below and not higher than 10% above the closing price of the share on the day immediately preceding each individual transaction. This is in order to optimise the capital structure with a view to maximising the creation of value for shareholders, also in relation to the available liquidity and, nonetheless, for any other purposes allowed by the applicable legislative and regulatory provisions in force. The purchase must be carried out through the use of distributable profits and available reserves resulting from the last approved Financial Statements, in compliance with Article 132 of the Consolidated Finance Act and in the manner set forth in Article 144-bis, paragraph 1, letter b) of the Issuers' Regulation, i.e. "on regulated markets or multilateral trading facilities in accordance with the operating procedures established in the organisational and management regulations of the markets themselves, which do not allow the direct matching of trading proposals for purchase with predetermined trading proposals for sale".

It should be noted that, on 14 November 2024, the Board of Directors of ERG S.p.A. approved the launch of a share buy-back programme as an investment aimed at maximising value creation for the Company and its shareholders, for a maximum period of three months, in accordance with the resolution passed by the Shareholders' Meeting on 23 April 2024.
At 31 January 2025, 1,133,766 ordinary shares – the maximum number of shares that can be purchased – were repurchased at a weighted average price of EUR 19.9 per share and the buy-back programme was therefore concluded. Considering the shares already in its portfolio prior to the start of the programme, ERG S.p.A. holds, at the conclusion of the programme, 4,965,240 treasury shares equal to 3.3031% of the relevant share capital.

On 22 April 2025, pursuant to Article 2357 of the Italian Civil Code, the Ordinary Shareholders' Meeting authorised the Board of Directors, subject to revocation, for the period still remaining, of the previous authorisation resolved by the Shareholders in the meeting on 23 April 2024 referred to above, for a period of 18 months effective from 22 April 2025, to purchase treasury shares up to a revolving maximum (i.e. the maximum amount of treasury shares held from time to time in the portfolio) of 15,032,000 ordinary ERG shares with a par value of EUR 0.10 each, at a unit price, including ancillary purchase charges, not lower than 30% below and not higher than 10% above the closing price of the share on the day immediately preceding each individual transaction. The purchase has the same purpose as the previous authorisation and must be carried out in accordance with the procedures already mentioned.
The same Shareholders' Meeting authorised the Board of Directors, pursuant to Article 2357-ter of the Italian Civil Code, upon annulment, for the period still remaining, of the previous authorisation resolved by the Shareholders' Meeting on 23 April 2024, for 18 months as from 22 April 2025, to also sell, all at once or in several steps, and with any procedures deemed appropriate in relation to the purposes, which the disposal is attempting to achieve, treasury shares at a unit price no lower than 10% below the closing price of the share on the day immediately preceding each individual disposal.

Period	Number of shares repurchased	Average price per share (Euro)	Aggregate number of shares purchased
2023-2024 Programme			
October 2023	480,000	23,14	480,000
November 2023	947,636	24,85	1,427,636
December 2023	976,644	27,25	2,404,280
TOTAL AT 31/12/2023	**2,404,280**	**25,48**	**2,404,280**
January 2024	796,938	27,15	3,201,218
February 2024	556,782	26,59	3,758,000
TOTAL AT 12/02/2024	**3,758,000**	**26,00**	**3,758,000**
2024-2025 Programme			
November 2024	160,000	20,04	160,000
December 2024	374,671	20,25	534,671
TOTAL AT 31/12/2024	**534,671**	**20,18**	**534,671**
January 2025	599,095	19,68	1,133,766
TOTAL AT 31/01/2025	**1,133,766**	**19,90**	**1,133,766**

The following table shows the change in the number of treasury shares and shares outstanding:

Number of shares	Treasury shares	Shares outstanding
BALANCE AT 31/12/2024	4,366,145	145,953,855
Repurchase of ordinary shares	599,095	(599,095)
BALANCE AT 31/12/2025	**4,965,240**	**145,354,760**

The change in the number of treasury shares in 2025 was determined by the carrying out of the Share Buy-back Programme, initiated in 2024.

Dividends

In 2025, ERG S.p.A. paid dividends totalling EUR 145.4 million, equal to EUR 1.00 for each of the shares entitled to receive dividends at the coupon date. In the corresponding period of the previous year, dividends amounting to EUR 146.5 million were distributed, equal to EUR 1.00 for each of the shares entitled to receive dividends on the ex-dividend date.

It should also be noted that dividends in the amount of EUR 6.0 million were paid to non-controlling interests of investees.

Proposal of the Board of Directors of 11 March 2026

Dear shareholders, in relation to the results achieved, we invite you to resolve upon the following:

- to approve the Financial Statements of your company for the year ended 31 December 2025, which show a profit of EUR 28,349,747.76;
- to resolve to pay to the Shareholders a dividend of EUR 1.00 per share. The dividend will be payable for each share with dividend rights outstanding at the ex-dividend date, excluding the parent's treasury shares, in accordance with Article 2357-ter of the Italian Civil Code, via the profit for the year and "Other reserves";
- to approve the payment of the dividend as from 20 May 2026, with an ex-dividend date as from 18 May 2026 and record date of 19 May 2026.

Supplementary information on capital

The objectives identified by the Group for capital management are to safeguard corporate viability, to create stakeholder value and to support Group development. In particular, the Group pursues the maintenance of an adequate level of capitalisation that allows it to produce a satisfactory economic return for the shareholders and to assure access to external financing sources, also through the achievement of an adequate rating. In this context, the Group manages its own capital structure and makes adjustments to it, if changes in the economic conditions require it. There were no substantial changes to the objectives, to the policies or to the processes as at the date of preparation of this document.

NOTE 30 -NON-CONTROLLING INTERESTS

Non-controlling interests relate to the consolidation on a line-by-line basis of the following companies that have other shareholders:

		31/12/2025		31/12/2024	
Company	**% non-controlling interest**	**non-controlling interests**	**Profit/(Loss)**	**non-controlling interests**	**Profit/(Loss)**
Andromeda PV S.r.l.	21.50%	6,424	2,362	6,165	2,017
C.P.E.S. Mas d'en Ramis S.A.S.	40.00%	(313)	(32)	(281)	(281)
C.P.E.S La Brède S.A.S.	42.58%	(232)	(98)	(134)	(134)
Project Pinnacle I, LLC	25.00%	59,470	3,260	70,731	1,027
Total		**65,349**	**5,491**	**76,481**	**2,629**

The change mainly refers to the effect of the dividends paid by the companies Andromeda PV S.r.l. and Project Pinnacle I, LLC.
It should be noted that, with respect to the non-controlling interest in the net equity of C.P.E.S. Mas d'en Ramis S.A.S. and C.P.E.S. La Brède S.A.S., which are part of the Falcon business combination that took place in the 2024 financial year, in accordance with the agreements with non-controlling interests that include respective repurchase commitments in 2027 and 2028, the fair value of this commitment, amounting to approximately EUR 1.7 million, has been classified as a non-current liability.

Net financial indebtedness

Relevant information on the accounting standards adopted and recognition and measurement criteria

For the purposes of defining the net financial indebtedness, reference is made to the information provided in CONSOB Warning Notice no. 5/21 of 29 April 2021.
In detail, the net financial indebtedness is broken down as follows
A. Cash
B. Cash equivalents
C. Other current financial assets
D. Liquidity (A) + (B) + (C)
E. Current financial liabilities – instruments measured at fair value
F. Current portion of non-current financial liabilities
G. Current financial indebtedness (E) + (F)
H. Net current financial indebtedness (G) - (D)
I. Non-current financial liabilities
J. Debt instruments
K. Trade payables and other liabilities
L. Non-current financial indebtedness (I) + (J) + (K)
M. Net financial indebtedness (H) + (L)

Financial assets and Financial liabilities

All financial assets and liabilities are initially recognised on the trading date, i.e. when the Group becomes a contractual party to the financial instrument. Financial instruments are initially measured at fair value plus or minus, in the case of financial assets or liabilities not at FVTPL, transaction costs directly attributable to the acquisition or to the issue of the financial instrument. Subsequently, their measurement and classification is based on the analysis of contractual cash flows and on the business model adopted by the Group for the management of these instruments. They can therefore be measured and classified as follows:

- ***Amortised cost.*** *They mainly include instruments such as loan assets and other loans granted by the Group. The amortised cost is decreased by impairment loss. Interest, determined using the effective interest method, exchange gains and losses and impairment losses are recognised in profit or loss for the year as are any gains or losses on derecognition.*
- ***Fair value through profit or loss for the year (FVTPL)*** *These instruments are recognised at fair value even after initial recognition and changes in fair value are recognised in profit or loss for the year. They include equity investments and derivative instruments not classified by the Group as hedging instruments.*
- ***Fair value through other comprehensive income (FVOCI)****. These instruments are recognised at fair value even after initial recognition. They mainly include debt securities, equities and derivative instruments classified by the Group as hedging instruments. Interest income calculated in accordance with the effective interest method, exchange gains and losses and impairment losses are recognised in profit or loss for the year; other net gains and losses are recognised in the Statement of Comprehensive Income. When the financial asset is derecognised, the gains or losses previously recognised in the Statement of Comprehensive Income are reclassified to the income statement.*

Financial assets and liabilities are measured at amortised cost using the effective interest method or at FVTPL. Any changes to financial assets and liabilities measured at FVTPL, including interest expense, are recognised in profit/(loss) for the year. In the case of financial liabilities subsequently measured at amortised cost, interest expense and exchange gains/(losses) are recognised in profit/(loss) for the year, as well as any gains or losses deriving from derecognition.
Financial liabilities measured at amortised cost include loans, trade payables and other financial liabilities; those measured at FVTPL include derivative financial instruments. When a financial liability is derecognised, the difference between the carrying amount of the extinguished financial liability and the price paid (including the assets not represented by cash transferred or the assumed liabilities) is recognised in the profit/(loss) for the year.

Please refer to ***Note 39 – Financial instruments*** *for further details.*

(EUR thousand)	Notes	31/12/2025	31/12/2024
A. Cash	31	140,009	270,957
B. Cash equivalents	31	279,825	330,009
C. Other current financial assets	32-33	89,261	452,290
D. Liquidity (A) + (B) + (C)		**509,095**	**1,053,256**
E. Current financial liabilities	34	(223,944)	(179,676)
F. Current portion of non-current financial liabilities – loans, borrowings and Project Financing	34	(20,482)	(22,683)
F. Current portion of non-current financial liabilities – current lease liabilities	34	(5,196)	(6,510)
F. Current portion of non-current financial liabilities – other liabilities	34	(1,698)	(5,886)
F. Current portion of non-current financial liabilities – debt instruments	35	(10,430)	(517,035)
G. Current financial indebtedness (E) + (F)		**(261,750)**	**(731,791)**
H. Net current financial indebtedness (G) - (D)		**247,345**	**321,465**
I. Non-current financial liabilities	34	(542,509)	(546,258)
I. Non-current financial liabilities – non-current lease liabilities	35	(228,271)	(222,924)
J. Debt instruments	34	(1,594,665)	(1,592,672)
K. Trade payables and other liabilities	13-34	(1,994)	(1,994)
L. Non-current financial indebtedness (I) + (J) + (K)		**(2,367,439)**	**(2,363,848)**
M. Net financial indebtedness (H) + (L)		**(2.120.094)**	**(2.042.383)**

The graph below shows the reconciliation between net financial position and the net financial indebtedness reported in the **Directors' Report.**

(EUR thousand)	31/12/2025	31/12/2024
M. Net financial indebtedness (H+L)	**(2,120,094)**	**(2,042,383)**
Inclusion Net financial indebtedness Assets held for sale	(13,491)	-
Inclusion of positive fair value IRS financial derivatives	14,560	19,730
Net Financial Indebtedness post IFRS 16 Directors' Report	**(2,119,025)**	**(2,022,653)**
Exclusion of IFRS 16 impact (lease liabilities)	233,467	229,434
Exclusion of IFRS 16 impact Assets held for sale	3,466	-
Net Financial Indebtedness before IFRS 16 Directors' Report	**(1,882,092)**	**(1,793,219)**

Indirect and contingent indebtedness

In accordance with ESMA Guidelines, the description and nature of the Group's indirect and contingent indebtedness at 31 December 2025 is provided below.

The Group's indirect and contingent indebtedness at 31 December 2025 mainly refers to commitments to build assets over the next 12 months and amounts to approximately EUR 199 million, mainly attributable to the development of wind farms in Germany (EUR 78 million), France (EUR 24 million), the United Kingdom (EUR 7 million), and projects in Italy, mainly repowering, revamping, and storage for a total of approximately EUR 91 million.

NOTE 31 - CASH AND CASH EQUIVALENTS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Cash and cash equivalents are presented at fair value, which corresponds to their nominal amount. In accordance with IAS 7, the definition of cash equivalents comprises cash on hand and bank/postal deposits repayable on demand, together with short-term investments that are convertible to a known amount of cash. It also includes short-term investments whose reimbursement value is predetermined at the date of initial purchase/recognition.

This item, equal to EUR 419,834 thousand at 31 December 2025 (EUR 600,966 thousand at 31 December 2024), is made up of cash generated by the Group's assets, deposited with the banks of which the Group is a client, for an amount equal to EUR 411 million, in addition to the balance in the accounts of wind and solar companies owned by ERG Power Generation S.p.A. according to the restrictions on use set forth in the relative Project Financing agreements for an amount of approximately EUR 9 million.

For further details on these Project Financings, please refer to **Note 34 – Current and non-current financial liabilities**.
The change in cash and cash equivalents is summarised in the **Statement of Cash Flows**.

NOTE 32 - FINANCIAL ASSETS MEASURED AT FAIR VALUE

(EUR thousand)	31/12/2025	31/12/2024	Impact on Net Financial Indebtedness
Fair value derivatives hedging interest rates	9,117	12,251	
Fair value Virtual Power Purchase Agreements	13,024	23,710	
Total non-current portion	**22,141**	**35,961**	
Fair value derivatives hedging interest rates	5,443	7,480	
Fair value derivatives hedging electricity prices	5,899	7,705	
Total current portion	**11,342**	**15,185**	

The non-current portion, amounting to approximately EUR 22,141 thousand at 31 December 2025 (EUR 35,961 thousand at 31 December 2024), consists mainly of:

- the non-current portion of the positive fair value of ERG S.p.A.'s IRSs for approximately EUR 9 million (EUR 12 million at 31 December 2024);
- financial assets referring to the positive fair value of the VPPA in Italy, equal to approximately EUR 13 million (EUR 24 million at 31 December 2024).

The current portion, amounting to approximately EUR 11,342 thousand at 31 December 2025 (EUR 15,185 thousand at 31 December 2024), consists mainly of:

- the current portion of the positive fair value of ERG S.p.A.'s IRSs for approximately EUR 5 million (EUR 7 million at 31 December 2024);
- financial assets referring to the positive fair value of commodity price risk hedging instruments, equal to approximately EUR 6 million (EUR 8 million at 31 December 2024).

NOTE 33 - OTHER CURRENT FINANCIAL ASSETS

This item, amounting to EUR 89,261 thousand at 31 December 2025 (EUR 452,314 thousand as at 31 December 2024), mainly consisted of short-term uses of liquidity of EUR 61 million (EUR 435 million at 31 December 2024) and approximately EUR 6 million of interest income accrued on these uses (EUR 14 million at 31 December 2024), as well as EUR 20 million in amounts relating to the centralised treasury between ERG Power Generation S.p.A. and ERG Sweden Holding AB, to be sold.

NOTE 34 - CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

Relevant information on the accounting standards adopted and recognition and measurement criteria

Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. The costs directly related to obtaining or issuing the liability are deducted from the carrying amount of the liability. These costs are then amortised over the life of the liability, using the effective interest rate method.
The liability for bonds is presented net of commissions and other borrowing costs.

*Some financial liabilities measured at amortised cost, mainly loans and borrowings, are hedged. This mainly refers to loans whose future cash flows are exposed to interest rate risk. For the measurement of these hedging instruments, please refer to **Note 39 – Financial instruments**.*

	31/12/2025				31/12/2024			
	Carrying amount			Nominal amount	Carrying amount			Nominal amount
(EUR thousand)	Current portion[1]	Non-current portion	Total	Total	Current portion[1]	Non-current portion	Total	Total
Bonds issued	10,430	1,594,665	1,605,095	1,600,000	517,035	1,592,672	2,109,707	2,100,000
Loans and borrowings	3,478	494,320	497,797	495,000	4,298	419,041	423,339	420,000
Project Financing	17,004	48,189	65,193	64,686	18,385	125,258	143,643	144,244
Total non-current liabilities	**30,912**	**2,137,174**	**2,168,086**	**2,159,686**	**539,718**	**2,136,972**	**2,676,690**	**2,664,244**
Bank loans and borrowings	223,944	-	223,944	223,944	179,676	-	179,676	179,676
Other liabilities	1,698	1,994	3,692	3,692	5,886	1,994	7,880	7,880
Total Other financial liabilities	**225,642**	**1,994**	**227,636**	**227,636**	**185,562**	**1,994**	**187,556**	**187,556**
Total financial liabilities	**256,554**	**2,139,168**	**2,395,722**	**2,387,322**	**725,281**	**2,138,966**	**2,864,246**	**2,851,800**

(1) The current portion of loans and borrowings includes the reversal of the IFRS 9 gain, if applicable.

The following table shows the composition in percentage terms of the outstanding nominal amount of non-current liabilities:

Non-current liabilities

(EUR thousand)	31/12/2025	%	31/12/2024	%
Bonds issued	1,600,000	74%	2,100,000	79%
Loans and borrowings	495,000	23%	420,000	16%
Project Financing	64,686	3%	144,244	5%
Total	**2,159,686**	**100%**	**2,664,244**	**100%**

Financial Strategy and Sustainable Finance

The ERG Group's financing strategy is focused on sustainable corporate finance instruments, in line with its development model.

Confirming the Group's strong commitment to sustainable finance, bond issues carried out since 2019 have been structured as Green Bonds based on a Green Bond Framework, updated from time to time in accordance with best market practices, as certified by independent advisors who have certified their alignment with the latest regulatory developments.
In the most recent update to the Green Bond Framework, carried out during the last placement in July 2024,
Moody's assigned the highest rating in terms of contribution to sustainability and alignment with the principles. The related Second Party Opinion specifically certified the compliance of ERG S.p.A.'s Framework with the four pillars of the International Capital Market Association (ICMA) Green Bond Principles (GBP) 2021 (including Appendix I published in June 2022) and alignment with the criteria of the EU Taxonomy.

The composition of funding sources confirms the Group's commitment to keeping at least 90% of the Group's funding sources sustainable as outlined in the 2024-2026 ESG plan.

Non-current liabilities[8]

(EUR million)	31/12/2025	%	31/12/2024	%
Sustainable sources of financing	2,095	97%	2,520	95%
Traditional sources of financing	65	3%	144	5%
Total Non-current financial liabilities	**2,160**	**100%**	**2,664**	100%

At 31 December 2025, the sources of Sustainable Finance, equal to EUR 2,095 million out of a total of financial sources equal to a nominal amount of EUR 2,160 million (EUR 2,520 million at 31 December 2024 out of a total of financial sources equal to a nominal amount of EUR 2,664 million), include

- ***Green Bonds,*** for a total of EUR 1,600 million (EUR 2,100 million at 31 December 2024), intended for the financing and refinancing of the construction and/or acquisition of wind and solar projects, as well as storage, in accordance with the recent Green Bond Framework. The decrease compared to 31 December 2024 relates to the full repayment, in April 2025, of the Green Bond issued in 2019 with a nominal value of EUR 500 million. Details of the bonds outstanding at 31 December 2025 are provided below:

Type of loan	ISIN	Coupon	Issue date	Expiry date	Issue price	Gross yield to maturity	Rating	Carrying amount	Nominal amount
Green Bond	XS2229434852	0.50%	11/09/2020	11/09/2027	99.21%	0.62%	Fitch: BBB-	498,881	500,000
Green Bond	XS2229434852	0.50%	23/12/2020	11/09/2027	101.10%	0.33%	Fitch: BBB-	100,217	100,000
Green Bond	XS2386650274	0.88%	15/09/2021	15/09/2031	99.75%	0.90%	Fitch: BBB-	499,500	500,000
Green Bond	XS2853679053	4.13%	03/07/2024	03/07/2030	99.52%	4.22%	Fitch: BBB-	506,497	500,000
Total								**1,605,095**	**1,600,000**

The liability for bonds is presented net of commissions and other borrowing costs for an amount of EUR 7.3 million. These costs were recognised in the income statement under financial expense in 2025 according to the amortised cost method in the amount of EUR 2.2 million, corresponding to the portion accrued for the year.
The carrying amount of the financial liability includes approximately EUR 12 million of interest accrued in the year.
The coupon and gross yield to maturity of the 2024 bond do not take into account the positive effect of the pre-hedge entered into in 2020 at significantly more competitive rates to hedge the bond in question; accordingly, the related charge recognised in the income statement is lower.

8 Including the current portion of non-current financial liabilities.

- Non-current **loans and borrowings** (Senior Unsecured), totalling EUR 495 million in nominal value (EUR 420 million at 31 December 2024). Of this amount, EUR 420 million provides for a reward mechanism linked to the achievement of ESG targets and EUR 75 million relates to a new "Green Corporate Loan" entered into in the first half of 2025 under very competitive terms.

Disbursement	Type of loan	Maturity	Rate	Carrying amount	Nominal amount
2023	Sustainability bilateral linked loans	15/02/2028	IRS:Euribor6M+Spread	100,609	100,000
2023	Sustainability bilateral linked loans	23/03/2028	IRS:Euribor6M+Spread	131,130	130,000
2023	Sustainability bilateral linked loans	02/05/2028	IRS:Euribor6M+Spread	100,330	100,000
2024	Sustainability bilateral linked loans	26/03/2029	IRS:Euribor6M+Spread	90,410	90,000
2025	Green Corporate Term Loan	23/04/2030	IRS:Euribor6M+Spread	75,238	75,000
Total				**497,717**	**495,000**

The above-mentioned "sustainability-linked" loans are fully hedged against interest rate risk for the entire notional amount, while the "Green Corporate Term Loan" remains on a variable interest rate.
The loans shown above are recognised net of ancillary charges recognised using the amortised cost method (EUR 1 million) and including interest accrued for the year (EUR 3.7 million) calculated without taking into account interest rate hedging transactions

Traditional sources of financing, amounting to EUR 65 million (EUR 144 million at 31 December 2024), relate entirely to existing **Project Financing**, relating to scopes subject to acquisition or subscribed before 2019, connected to photovoltaic and wind power plants located in Italy and Germany, respectively.
Specifically:
- loans for EUR 49 million, with final maturity in November 2028, relating to the construction of a solar system through an Italian company;
- loans for EUR 16 million, with a final maturity in December 2038, granted for the construction of a wind farm through a German company.

In addition, it is pointed out that:
- in March 2025, the bank loan taken out by the British company Broken Cross Wind Farm Limited, acquired in January 2025, was repaid for a total amount of approximately EUR 43 million;
- in December 2025, the bank loan taken out by the French company C.E.P.E. Renouvellement Haut Cabardès, which was acquired in January 2024 for a total amount of approximately EUR 61 million, was repaid.

These loans are recognised net of ancillary expenses recognised using the amortised cost method (EUR 0.3 million).

Project Financing is guaranteed by the underlying asset. Please refer to the following section for a comment on any pertaining covenants and negative pledges.

At 31 December 2025, the weighted average interest rate on loans, borrowings and project financing, including hedging transactions, was around 1.8% (1.6% at 31 December 2024)..

In addition to the above financial sources, ERG S.p.A. has credit lines available in full until 31 December 2025:
- an *ESG-linked Revolving Credit Facility*, maturing in 2028 with the possibility of a 12-month extension.
- A *Green Corporate Term Loan* for renewable energy development with the European Investment Bank (EIB), with a 15-year term from the disbursement date.

Bank loans and borrowings equal to EUR 224 million include mainly short-term positions referred to current accounts of credit facilities.

Other liabilities for the non-current portion refer to deferred components of the purchase price of companies abroad mainly for approximately EUR 2 million.

Covenants and negative pledges

At the date of preparation of this document, all covenants provided for in the loan agreements in place at 31 December 2025 for the Group companies have been complied with.

The above-mentioned financial liabilities contain covenants typical of the financial market, which place limits on the financed company in line with the prevailing market practice for similar agreements.

These agreements contain also negative pledges, clauses that generally prohibit assets being used as collateral for any other third-party lenders and protect the creditor's right over the assets pledged by the debtor as a guarantee for repayment of the loan.

With regard to the commitments and guarantees provided to lenders, these mainly concern:

i. the special lien on movable assets;
ii. the mortgage of real estate;
iii. the pledge on restricted current accounts;
iv. the pledge on 100% of the share capital (including the pledge of 100% of the share capital of any subsidiaries).

The table below provides details on the financial parameters relating to the Group's Project Financing agreements. There are no other loan agreements (such as Sustainable Bilateral Linked Loans or Green Loans) that require compliance with financial covenants.

2025 Financial Statements	2024 Financial Statements	Project Financing/Loans	Compliance with covenant(s)	Event of Default	Remedies in case of Event of Default[1]
✔	✔	Windpark Linda GmbH Project Financing	✔	HDSCR less than 1.05x	✔
✔	✔	Andromeda PV S.r.l. Project Financing	✔	Historical Annual DSCR and Projected Annual DSCR greater than 1.10x	✔
•	✔	Project C.E.P.E. Renouvellement Haut Cabardès	(2)	HDSCR less than 1.05x	✔

(H) DSCR: (Historical) Debt Service Coverage Ratio

(1) Contractually established remedies that the Company can take to avoid default.

(2) During 2025, discussions were held with the lending bank regarding the full repayment of the debt, which took place on December 31, 2025; therefore, no calculation of the financial covenants was required.

Key:
✔ Present
• Not present
n/a Not applicable

NOTE 35 - LEASE LIABILITIES

Financial liabilities recognised in accordance with IFRS 16 amounting to EUR 233,467 thousand (EUR 229,434 thousand at 31 December 2024), of which EUR 228,271 thousand (EUR 222,924 thousand at 31 December 2024) non-current and EUR 5,196 thousand current (EUR 6,510 thousand at 31 December 2024).

The liability refers to the present value of liabilities due and not paid at the start date of the lease plus implicit interest accrued on said liability and less payments made during the year.

The increase mainly refers to the liability recognised for the acquisitions that took place during the year. For further details, please refer to **Note 46 – Business combinations**.

NOTE 36 - FINANCIAL LIABILITIES MEASURED AT FAIR VALUE

(EUR thousand)	31/12/2025	31/12/2024	Impact on Net Financial Indebtedness
Fair value Virtual Power Purchase Agreements	96,272	97,145	
Fair value derivatives hedging interest rates	-	1,959	✔
Total non-current portion	**96,272**	**99,104**	
Fair value Virtual Power Purchase Agreements	10,382	6,767	
Fair value derivatives hedging electricity prices	863	3,065	
Total current portion	**11,245**	**9,832**	

The non-current portion, equal to EUR 96,272 thousand (EUR 99,104 thousand at 31 December 2024) mainly includes the negative fair value of the VPPA in Spain, the USA and the UK, part of which was recognised at fair value as part of the related business combinations. These instruments were also designated as hedging instruments and therefore are not included in the financial liabilities of the Net Financial Indebtedness prepared in accordance with CONSOB Warning Notice no. 5/21 of 29 April 2021.
The current portion of EUR 11,245 thousand (EUR 9,832 thousand at 31 December 2024) consists of:

- the portion to be released in the short term of liabilities referring to the negative fair values recognised as part of the related VPPA business combinations in Spain and the US, equal to approximately EUR 10 million (EUR 7 million at 31 December 2024);
- liabilities related to the negative fair value of commodity price risk hedging instruments amounting to approximately EUR 1 million (EUR 3 million at 31 December 2024), which do not fall under the classification of financial liabilities and are therefore not included in the net financial indebtedness.

NOTE 37 - NET FINANCIAL INCOME (EXPENSE)

	2025			2024		
(EUR thousand)	Financial income	Financial expense	*Net*	Financial income	Financial expense	*Net*
Bank interest income (expense) on current accounts	19,218	(2,638)	16,580	27,014	(2,575)	24,439
Financial income (expense) on interest rate derivatives – differential	11,618	(5,095)	6,523	16,504	(3,032)	13,472
Interest expense to third parties on loans/borrowings	-	(46,830)	(46,830)	-	(46,301)	(46,301)
Interest expense on project financing	-	(7,282)	(7,282)	-	(7,508)	(7,508)
Liability management transactions	4,175	(1,924)	2,251	-	-	-
Liquidity management/Cost of debt	**35,011**	**(63,769)**	**(28,758)**	**43,518**	**(59,416)**	***(15,898)***
Derivative financial income (expense) – change in fair value	9,431	(3,704)	5,727	15,280	(10,557)	4,723
Other financial income (expense)	24,114	(23,016)	1,098	20,449	(15,592)	4,857
Interest expense on lease liabilities	-	(11,050)	(11,050)	2,459	(1,604)	854
Financial expense on US Tax Partner liabilities	-	(8,263)	(8,263)	-	(10,623)	(10,623)
Exchange gains (losses)	344	(2,178)	(1,834)	-	(8,099)	(8,099)
Amortised cost on loans, borrowings and project financing	-	(2,059)	(2,059)	-	(2,809)	(2,809)
Other income (expense)	**33,890**	**(50,271)**	**(16,381)**	**38,187**	**(49,513)**	***(11,326)***
Total	**68,901**	**(114,040)**	**(45,139)**	**81,705**	**(108,929)**	***(27,224)***

Interest expense to third parties on loans/borrowings and **Interest expense on Project Financing** included in the cost of debt represent the portion of financial expense relating to contractual interest, while their adjustment to the effective interest rate is represented by the item **Amortised cost on loans, borrowings and Project Financing**. The change in interest expense is mainly attributable to the refinancing, at higher interest rates, of the bond redeemed in April 2025, although the yield spread between the two bonds issues was significantly mitigated by prehedge transactions at particularly competitive rates compared to those in force at the date of issue (July 2024) and included under the item financial income (expense) on **Interest rate derivatives - differential**. Furthermore, it should be noted that the comparative period under the item **Bank interest income (expense) on current accounts** benefited from a higher short-term return on operating liquidity, also in light of the stage in the monetary policy cycle.

Liability management transactions include non recurring expenses related to the closure of project financing agreements by the newly acquired company in the United Kingdom and the French company C.E.P.E. Renouvellement Haut Cabardès, including the extinguishment of fair values related to derivative financial instruments used to hedge interest rates.

Derivative financial income (expense) – change in fair value refers to the change in fair value of some commodity derivative financial instruments. The gross values of income and expenses shown reflect technical purchase and sale transactions. It should be noted that the net result of the aforementioned transactions is not significant, in line with the objectives set in the policy and with previous years.

The item **Financial expense on US Tax Partner liabilities** represents the financial expense deriving from the discounting of the total amount due to the Partner at the expected internal rate of return. It should be noted that in the comparative period, these charges are calculated from 1 April 2024, the date of initial consolidation of the US scope.

Other financial income (expense) mainly includes capitalised financial interest for farms under construction, financial expenses on the decommissioning provision, and bank fees.

NOTE 38 - FINANCIAL INSTRUMENTS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Derivative financial instruments

Derivative financial instruments, including embedded derivatives, subject to separation from the main contract, are assets and liabilities recognised at fair value.

Derivative instruments, including forward transactions, are classified as follows:

1. ***derivative instruments that can be defined as hedges pursuant to IFRS 9:*** *this includes (i) cash flow hedges (CFH) on interest rates, exchange rates and commodities and (ii) fair value hedges (FVH) on commodities (price and exchange rate);*
2. ***forward transactions and derivative instruments that cannot be defined as hedges pursuant to IFRS 9,*** meeting the requirements of compliance with the company policies for the management of risk on exchange rates and energy commodities.

The Group carries out the basis adjustment, reclassifying the effective portion of the hedge to adjust the value of the hedged item at initial recognition, in the case of cash flow hedges of non-financial elements. For all cash flow hedges, including those of transactions involving the recognition of a non-financial asset or liability, the cumulative gain or loss in the hedging reserve was reclassified to profit or loss for the year in the same year or in the same years in which the hedged expected future cash flows have an effect on profit or loss.

The Group analyses all contracts to buy or sell non-financial assets, with particular attention to forward purchases or sales of electricity and energy commodities, in order to determine whether they should be classified and treated in accordance with IFRS 9 or whether they were entered into for "own use exemption

Fair value hierarchy according to IFRS 13

In measuring the fair value of an asset or a liability, the Group uses, insofar as it is possible, observable market data. Fair values are categorised in various hierarchical levels according to the input data used in the measurement techniques, as illustrated below.

- *Level 1: quoted prices (unadjusted) for identical assets or liabilities in active markets.*
- *Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).*
- *Level 3: unobservable inputs for the asset or liability.*

The Group recognises the transfers between the various levels of the fair value hierarchy of the event or of the change in the circumstances that determined the transfer in which the transfer took place.

Estimates and assumptions are revised periodically and the effects of each change are reflected in the Income Statement in the year in which the change took place.

The following table shows, for each financial asset and liability, the carrying amount and the fair value. Information on the financial assets and liabilities not measured at fair value is excluded, when the carrying amount represents a reasonable approximation of fair value.

31/12/2025	Fair value – Hedging instruments	FVTPL instruments – other	Financial assets measured at amortised cost	Other financial liabilities	Total Carrying Amount	Fair value	Level 1	Level 2	Level 3
Equity investments									
Other non-current financial assets	-	-	26,130	-	26,130	26,130	-	26,130	-
Interest rate swaps	14,560	-	-	-	14,560	14,560	-	14,560	-
Commodity derivatives(1)	5,899	-	-	-	5,899	5,899	-	5,899	-
Virtual Power Purchase Agreements	13,024	-	-	-	13,024	13,024	-	-	13,024
Other current financial assets	-	-	37,878	-	37,878	37,878	-	37,878	-
Trade receivables	**-**	**-**	135,345	-	135,345	135,345	-	-	-
Other assets	-	-	235,331	-	235,331	235,331	-	235,331	-
Cash and cash equivalents	-	-	419,834	-	419,834	419,834	-	-	-
Total assets	**33,483**	**872**	**854,518**	**-**	**888,873**	**888,873**			
Loans and borrowings	-	-	-	497,797	497,797	498,271	-	498,271	-
Bonds	-	-		1,605,095	1,605,095	1,529,861	-	1,529,861	-
Non-recourse Project Financing	-	-	-	65,193	65,193	66,698	-	66,698	-
Current bank loans and borrowings	-	-	-	223,944	223,944	223,944	-	223,944	-
Financial liabilities	-	-	-	3,692	3,692	3,692	-	3,692	-
Commodity derivatives(1)	863	-	-	-	863	863	-	863	-
Virtual Power Purchase Agreements	106,654	-	-	-	106,654	106,654	-	-	106,654
Trade payables	-	-	77,015	-	77,015	77,015	-	-	-
Other liabilities	-	-	-	264,656	264,656	264,656	-	230,141	34,515
Total liabilities	**107,517**	**-**	**77,015**	**2,660,378**	**2,844,910**	**2,771,655**			

(1) the item does not include the fair value of the futures for which cash settlement of open positions is also envisaged (for which the relative fair value cannot be found in the statement of financial position as it has already been settled) amounting to approximately EUR 2 million.

To determine the market value of these instruments, ERG uses various models for measuring and valuation, as summarised below:

Type	Instrument	Pricing model	Calculation tool	Market data used	Data provider	IFRS 7 hierarchy
Interest Rate derivatives	Interest Rate Swap	Discounted Cash Flow	- MS Excel - FINCAD XL	- Deposit rates (EURIBOR) - Swap rates	Refinitiv Eikon	Level 2
	Interest Rate Option (Cap, Floor)	Black & Scholes	- MS Excel - FINCAD XL	- Deposit rates (EURIBOR) - Swap rates - Implied volatility of rates	Refinitiv Eikon	Level 2
Commodity derivatives	Commodity Swap	Discounted Cash Flow	- MS Excel - FINCAD XL	- Official spot quotes on reference commodities	Refinitiv Eikon	Level 2
	Commodity Future	Listed instrument		- Official settlement prices – Source: EEX	EEX via Refinitiv Eikon	Level 1
	Contract for Difference (CfD)	Discounted Cash Flow	- MS Excel	- Forward national single price quoted on the OTC market	EEX via Refinitiv Eikon	Level 2
			- FINCAD XL	- Zero coupon curve on the Euro	Refinitiv Eikon	
	Virtual Power Purchase Agreement (VPPA)(1)	Discounted Cash Flow Monte Carlo method (option valuation)	- MS Excel - FINCAD XL	- Official spot/forward prices of reference commodities - Historical volatility of the reference commodities - Zero coupon curve of the reference currency - ECB spot exchange rates	Refinitiv Eikon	Level 3
Foreign exchange derivatives	Compravendita a termine (Outright, FX Forward)	Discounted Cash Flow	- MS Excel - FINCAD XL	- Short-term (deposit rates) and medium/long-term interest rates (swap rates) for both reference currencies. - ECB spot exchange rates	Refinitiv Eikon	Level 2

(1) Since these are instruments with average delivery terms of more than 10 years, if for long-term maturities there are no easily identifiable price quotations in the active market and therefore the price of the last available maturity date has to be replicated, the fair value at the date of initial recognition is estimated, with no accounting impact in the financial statements, and at each closing date the difference between the fair value at the valuation date and the estimated fair value at the date the contract was signed is recognised. The initial fair value of certain VPPAs and other similar fixed-price long-term contracts acquired as part of business combinations is recorded by reversing it to revenue over the remaining period to which the value relates.

It should be noted that for instruments measured with Level 3 inputs, the net impact recognised in the income statement for the period amounted to approximately EUR 14.5 million under the item revenue, net of the tax effect. The impact on the statement of comprehensive income for the period amounted to approximately EUR 17.1 million as a decrease in the hedging reserve net of the tax effect.
It should also be noted that the non-observable elements refer to the long-term points of the forward curve of electricity prices; the sensitivity of the changes in this final part of the curve is marginal, the short end of the curve based on observable inputs being predominant.

NOTE 39 - FINANCIAL RISK DISCLOSURE

The main risks identified and actively managed by the ERG Group include the following:

- the **Credit risk**, which highlights the possibility of default of a counterparty or any impairment of the assigned credit rating;
- the **Market risk**, deriving from exposure to interest rate and exchange rate fluctuations, and the change in the prices of the products sold and of the purchases of raw materials (commodity price volatility risk);
- the **Liquidity risk**, the risk of available financial resources being insufficient to fulfil payment commitments.

The ERG Group attaches great importance to identifying and measuring risks and to the related controls, in order to ensure efficient management of the risks it runs. Consistently with this objective, an advanced Risk Management system was adopted that assures, in compliance with the existing policies on the topic, the identification, measurement and central level control for the entire Group of the degree of exposure to individual risks.
The Group Risk Management & Corporate Finance function ensures consistency with the assigned risk limits and provides adequate support with its own analyses, both to individual subsidiaries and to the Risk Committee and Senior Management of the Parent, for strategic decisions.

Credit risk

Exposure to credit risk, inherent in the probability that a given counterparty will not be able to fulfil its contractual obligations, is managed by means of appropriate analysis and evaluation, also supported by primary providers on the analysis of the credit risk, assigning each counterparty an internal rating (Internal Based Rating, summary indicator of creditworthiness assessment). The rating classes provide an estimation of the probability of default of a specific counterparty, on which the degree of creditworthiness assigned depends, which is accurately monitored and must not be overrun. The choice of counterparties both for the industrial business and financial negotiations underlies the decisions of the Credit Committee, whose choices are supported by creditworthiness analyses.
Concentration risk, in particular per customer, is also continuously monitored without ever having presented alert situations, also in view of the customer characteristics of the sector in which the Group operates.

At 31 December 2025, maximum exposure to credit risk on trade receivables, broken down by geographical segment, is as follows:

(EUR thousand)	31/12/2025	31/12/2024
Italy	69,437	70,760
Romania	15,980	19,534
France	23,960	15,379
United Kingdom	9,000	7,565
Germany	6,758	5,813
Poland	5,529	5,299
Bulgaria	1,578	4,993
USA	2,534	3,265
Spain	570	1,478
Sweden	-	234
Total	**135,345**	**134,318**

The following table provides information on the ERG Group's exposure to credit risk at year-end, by classifying receivables (see **Note 6 – Trade receivables**) according to the credit rating corresponding to the ratings assigned by the information provider and assigned internally.

(EUR thousand)	31/12/2025	31/12/2024
AAA Rating	-	-
AA+/AA- Rating	4,319	5,845
A+/A- Rating	26,720	9,305
BBB+/BBB- Rating	102,738	92,508
BB+/BB- Rating	1,563	11,563
B+/B- Rating	-	11,727
CCC Rating	4	3,459
CC Rating	0	501
Total	**135,345**	**134,907**

In relation to receivables not subject to impairment, the Group assigns each exposure a credit rating class that provides a forecast of the risk of loss and takes into account the proven experience in evaluating receivables. The credit rating classes are defined using qualitative and quantitative factors indicating the risk of default.

The following graph shows the exposure to credit risk and the expected losses on trade receivables not past due at 31 December 2025 (with respect to the graph above, the carrying amount is recognised net of items included under liabilities as an adjustment to receivables and of receivables already collected at the date of this document).

(EUR thousand)	Carrying amount	Weighted average loss percentage(1)	Loss allowance
AA+/AA- Rating	4,319	0.16%	7
A+/A- Rating	26,720	0.20%	52
BBB+/BBB- Rating	102,738	0.30%	315
BB+/BB- Rating	1,563	0.52%	8
CCC Rating	4	2.54%	0
CC Rating	0	5.03%	0
Total	**135,345**		**383**

(1) Parameter assessed for each country on the basis of the Probability of Default (PD) and the statistically recognised Loss Given Default (LGD).

Finally, it should be noted that the impact of credit risk on liquid bank exposures is estimated at approximately EUR 0.2 million at 31 December 2025 (EUR 0.1 million at 31 December 2024).

Liquidity risk

Liquidity risk is the risk that financial resources may not be sufficient to cover all obligations falling due. To date, the ERG Group guarantees with the generation of cash flows and with the availability of credit facilities, made available by different counterparties, the adequate coverage of its financial requirements.

The following tables summarise the time profile of the financial liabilities of the Group, inclusive of interest, at 31 December 2025 and at 31 December 2024 on the basis of non-discounted contractual payments and the relative carrying amount.

31/12/2025		Maturity of liabilities					
(EUR thousand)	Carrying amount	Total	On demand	less than 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years
Bonds issued	1,605,095	1,737,325	-	-	28,389	1,204,500	504,436
Loans and borrowings	497,797	543,653	-	5,042	10,559	528,052	-
Non-recourse project financing	65,193	73,023	-	7,828	11,557	43,294	10,344
Current bank loans and borrowings	223,944	223,944	-	223,944	-	-	-
Other liabilities	123,477	123,477	-	4,606	15,517	75,471	27,883
Trade payables	77,015	77,015	21,815	55,184	13	4	-
Total non-derivative financial liabilities	**2,592,522**	**2,778,437**	**21,815**	**296,604**	**66,035**	**1,851,321**	**542,663**
Virtual Power Purchase Agreements	106,654	106,654	-	3,377	10,130	51,953	41,194
Commodity derivatives	863	863	-		813	45	5
Total derivative financial liabilities	**107,517**	**107,517**	**-**	**3,377**	**10,943**	**51,998**	**41,199**

31/12/2024		Maturity of liabilities					
(EUR thousand)	Carrying amount	Total	On demand	less than 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years
Bonds issued	2,109,707	2,275,219	-	-	537,894	707,542	1,029,783
Loans and borrowings	423,339	472,863	-	6,916	9,817	456,130	-
Non-recourse project financing	143,643	184,639	-	9,218	15,988	78,302	81,132
Current bank loans and borrowings	179,676	179,676	-	179,676	-	-	-
Other liabilities	170,390	177,144	-	7,601	28,688	86,464	54,391
Trade payables	123,551	123,551	39,249	84,302	-	-	-
Total non-derivative financial liabilities	**3,150,307**	**3,413,091**	**39,249**	**287,713**	**592,387**	**1,328,437**	**1,165,305**
Interest Rate Swap hedging interest rate risk	1,959	2,375	-	10	270	1,174	921
Virtual Power Purchase Agreements	103,912	103,912	-	1,692	5,075	49,462	47,683
Commodity derivatives	3,065	3,065	-		3,065	-	-
Total derivative financial liabilities	**108,935**	**109,352**	**-**	**1,702**	**8,410**	**50,636**	**48,604**

Market risk

This comprises currency risk, interest rate risk and commodity price risk. The management of these risks is regulated by the guidelines provided in the Group Policy and by internal procedures in the Finance area.

Moreover, specific risk management policies and procedures have been developed, based on industry best practices, for the continuous measurement of exposure levels with respect to a Risk Capital value allocated by the parent.

Market risk – interest rate

This risk identifies the change in future interest rate trends that may cause higher costs for the Group. Containment of the interest rate risk is pursued by using derivative contracts such as Interest Rate Swaps and Interest Rate Options (plain vanilla).

	2025		2024	
(EUR million)	Nominal	%	Nominal	%
Fixed rate loans	1,665	77%	2,181	82%
Variable rate loans	75	4%	9	0%
Variable rate loans – hedged	420	19%	474	18%
Total gross indebtedness	**2,160**	**100%**	**2,664**	**100%**

The following table shows the impact on the profit before taxes (because of changes in the fair value of financial assets and liabilities) and on the Equity attributable to the owners of the parent (due to changes in the fair value of cash flow hedge derivatives) of a +/-1% change in the interest rate, all other variables remaining equal.

Impact on profit or loss

(EUR million)	2025	2024
Shock-up (+1% change in interest rate)	0.6	1.6
Shock-down (-1% change in interest rate)	(0.0)	(3.6)

Impact on equity

(EUR million)	2025	2024
Shock-up (+1% change in interest rate)	6.3	12.0
Shock-down (-1% change in interest rate)	(7.0)	(11.5)

Market risk – commodity

Commodity price risk consists in unexpected fluctuations in the prices of raw materials, of procurement of services, of finished products and services provided for sale on the open market.

The Group implements all risk management strategies necessary to avoid the economic damages deriving from the volatility of the price for the sale and purchase of Electricity and from fluctuations in the Clean Spark Spread.

	2025		
thousands of MWh	Hedge Nominal	Trading Nominal	Total
Future	3,632	-	3,632
CFD	992	-	992
VPPA	16,226	-	16,226
Total	**20,850**	**-**	**20,850**

The following tables show the breakdown of the derivative financial instruments tied to different types of commodities and show in the case of reasonable changes in prices – while holding all other variables constant – the impact on variations in pre-tax profit (due to variations in the fair value of financial assets and liabilities) and equity attributable to the owners of the parent (due to variations in the fair value of cash flow derivatives) of a +/-25% change in the price of commodities.

Impact on profit or loss

(EUR million)	2025	2024
Shock-up (+25% change in commodities price)	(0.0)	(0.1)
Shock-down (-25% change in commodities price)	0.0	(0.0)

Impact on equity

(EUR million)	2025	2024
Shock-up (+25% change in commodities price)	(128.0)	(125.4)
Shock-down (-25% change in commodities price)	130.9	134.3

Market risk – currency risk

It identifies the unexpected future change in exchange rates that could result in higher costs for the Group (transactional risk), or impacts on the consolidated financial statements due to the translation of assets and liabilities of companies reporting in other currencies (translational risk).

The management of currency risk consists mainly of its acceptance, given the limited exposure the Group has as of the date of approval of this policy. Warning levels and the possible use of derivative financial instruments to hedge risk are in place. The Group also adopts a strategy based on pursuing a balance between assets and liabilities in foreign currencies, thus minimising net exposure, and financing M/L-term investments in local currencies, the profitability and cash flows of which are mainly expressed in that currency.

In the case of non-recurring transactions, it may be necessary to hedge against the variability of the exchange rate between the date of the decision to enter into a financial asset (coinciding with the trading of a derivative instrument) and the actual entering into of that financial asset, when deemed highly probable.

As of December 31, 2025, there are no derivatives used for foreign exchange hedging.

Derivative instruments used
The main types of derivative instruments adopted in the management of financial risks, solely for hedging purposes, are as follows:

Options: a contract whereby one of the parties, on payment of a sum to the other (premium), acquires the right to buy (call option) or sell (put option), at a future date, a certain quantity of financial instruments (underlying asset) at an established price (exercise or strike price);
Forward contracts: contracts for the purchase or sale between two parties of a certain financial instrument (the underlying asset) at a future date and at a price fixed at the time the contract agreed; this category also includes futures contracts, which unlike forward contracts are standardised, negotiated in lots and for predetermined maturity dates within regulated markets.
Swap/CfD (Contract for Difference): contract that determines, between two parties, the swap of flows of payments at certain dates. Payments can be expressed in the same currency or in different currencies and their amount is determined in relation to an underlying asset.

The derivatives entered into by ERG and designed to hedge the exposure to financial risks existing at 31 December 2024 are:
Interest Rate derivatives
- Interest Rate Option instruments that make it possible to set upper limits (cap) and lower limits (floor) to interest rate fluctuations relating to loans indexed to a variable rate;
- Interest Rate Swap, including Prehedge instruments, to bring bank loans with fixed and variable rate to the risk profile deemed most appropriate. IRS contracts provide that the counterparties, with reference to a defined notional amount and to pre-set maturities, mutually exchange interest flows calculated in relation to fixed rates or to variable rate parameters agreed previously;

Commodity derivatives
- CfDs are used to hedge the risk of electricity price fluctuations; via this instrument it is possible to buy or sell block quantities of electricity by paying on maturity the difference between the price agreed to in the contract and the market price reported in the reference period;
- futures instruments used to manage the volatility risk of electricity prices; this instrument makes it possible to purchase or sell a certain amount of energy at a certain price in a pre-established future period. The futures used have both monthly and cascading maturities (annual, half-yearly, quarterly, etc.);
- electricity contracts with physical delivery are agreed on the wholesale energy market and measured at fair value as part of sales transactions with derivative financial instruments as a balancing-entry;
- financial or "virtual" Power Purchase Agreements (VPPAs), entered into in order to stabilise the revenue structure with counterparties whereby on delivery dates a payment based on the price defined in the agreement is exchanged for a variable price, without the physical transfer of the underlying electricity.

Currency derivatives
- outright forwards, used to hedge against exchange rate fluctuations between the date of the decision to enter into a financial transaction in a foreign currency and the actual execution of that financial transaction.

Hedge Accounting
The Group uses derivative financial instruments to hedge its exposure to interest rate risks and commodity price risk. Furthermore, any derivative embedded in a hybrid contract is separated and measured at fair value, when the derivative contract meets the definition of a derivative and is not strictly related to the host contract.
At the start of the designated hedging relationship, the Group documents the risk management objectives and the strategy in implementing the hedge, as well as the economic relationship between the hedged item and the hedging instrument and it is expected that changes in cash on hand of the hedged element and in the hedging instrument will mutually offset.
When a derivative financial instrument is designated as an instrument to hedge the exposure to the variability of cash flows, the effective portion of the fair value gain or loss on the derivative financial instrument is recognised in other comprehensive income and presented in the hedging reserve. The effective portion of the fair value gain or loss on the derivative financial instrument that is recognised in other comprehensive income is limited to the cumulative change in the fair value of the hedged instrument (at the present value) from the start of the hedge. The ineffective portion of the fair value gain or loss on the derivative financial instrument is recognised immediately in profit or loss for the year.
In a hedging relationship, the Group designates as a hedging instrument only the fair value change of the spot element of the forward contract as a hedging instrument in a cash flow hedging relationship.
If the hedge ceases to meet the qualifying criteria or the hedging instrument is sold, terminates or is exercised, hedge accounting is discontinued prospectively.
When the cash flow hedge transactions cease being reported, the cumulative gain or loss in the hedging reserve remains in equity until, in the case of a hedge of a transaction that entails the recognition of a non-financial asset or liability, it is included in the cost of the non-financial asset or liability at initial recognition or, in the case of the other cash flow hedges, it is reclassified to profit or loss for the period in the same period or periods in which the hedged expected future cash flows have an effect on profit or loss for the period.
Where cash flow hedges are no longer expected, the amount must be reclassified immediately from the hedging reserve and from the reserve for hedging costs to profit or loss for the period.

A hedging relationship is effective if and only if it meets the following requirements:
- existence of an economic relationship between the hedging instrument and the hedged item;
- the credit risk is not dominant with respect to the changes in value; and
- the hedge ratio is the same one used for risk management purposes, i.e. the hedged quantity of the hedged element and the quantity of the hedging instrument used to cover the hedged item.

The Group carries out the basis adjustment, reclassifying the effective result of the hedge to adjust the initial recognition value of the hedged item, in the case of cash flow hedges of non-financial elements.
However, for all cash flow hedges, including those of transactions involving the recognition of a non-financial asset or liability, the cumulative gain or loss in the hedging reserve was reclassified to profit or loss for the period in the same period or in the same periods in which the hedged expected future cash flows have an effect on profit or loss.

Summary of derivative instruments used
The derivative instruments entered into by ERG, designed to hedge its exposure to commodity prices and interest rate risks, were as follows at 31 December 2025:

					31 december 2025	
	Notional amount				Fair Value	
(EUR million)	Maturity 1 year	Maturity from 1 year to 5 years	Maturity beyond 5 years	Total Nominal	Assets	Liabilities
Management of interest rate risk						
- Cash flow hedge	0	411	9	**420**	14.6	0.0
(thousands of MWh)						
Management of commodity price risk						
- Cash flow hedge	1,484	10,820	8,547	**20,850**	21.3	123.3
Total derivative instruments					35.8	123.3
- of which in hedging reserve					*35.8*	*123.3*
- of which not in hedging reserve					*0.0*	*0.0*

With reference to the impact of hedging derivatives on the comprehensive income, please refer to the **Statement of comprehensive income**.

NOTE 40 - GUARANTEES, COMMITMENTS AND RISKS

Sureties given (EUR 833 million)

These are mainly guarantees issued in favour of third parties, also on behalf of Group companies, guaranteed by the parent ERG S.p.A.

Other guarantees and commitments made (EUR 18 million)

The other guarantees and commitments made refer mainly to commitments related to the Group's information systems.

VI. TAXATION

NOTE 41 - INCOME TAXES

Relevant information on the accounting standards adopted and recognition and measurement criteria

Current taxes

Current taxes are recognised based on an estimate of the liability for the year, taking into account the effects of participation in a tax consolidation scheme by most of the Group's companies.
The Group has determined that the interest and penalties relating to income taxes, including the accounting treatments to be applied to income taxes of an uncertain nature, are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets as they do not meet the definition of income taxes.
The amount of taxes due or to be received, determined on the basis of the tax rates in force or substantially in force at the end of the year, also includes the best estimate of any amount to be paid or received which is subject to factors of uncertainty.

The rate used to calculate current taxes for the Italian companies is the same as the nominal IRES (corporate income tax) rate (24%), increased, where so prescribed, by the IRAP (regional income tax) rate (3.90% - 4.82% - 5.57%).

The rates for foreign companies consolidated on a line-by-line basis are as follows:
France 25%;
Germany 26.6% - 32.2%;
United Kingdom 25%;
Romania 16%;
Poland 19%;
Bulgaria 15% (for groups subject to Pillar 2);
Spain 25%;
United States (Federal Tax + State Tax) 26.6% - 28.5%.

For details on ***Deferred taxes,*** *reference is made to the comments in the following Notes.*

(EUR thousand)	2025	2024	Change
Current income taxes	44,705	82,119	(37,414)
Previous years taxes	(3,078)	2,116	(5,195)
Deferred tax assets and liabilities	(8,144)	(49,787)	41,642
TOTAL	**33,483**	**34,448**	**(966)**

It should be noted that in the comparative year, the items Current income taxes and Deferred tax assets and liabilities included, among others, the effects of the recognition of the substitute tax of 16% on the exemption of capital gains relating to the Siena and Donatello business combinations, which took place in 2022. The recognition had a positive impact on the Consolidated Financial Statements given the recognition of deferred tax assets and the release of deferred taxes, for EUR 64 million, on the various carrying amounts of goodwill aligned with their tax basis at the time of purchase price allocation.
Lastly, it should be noted that deferred tax assets include the positive effect of the tax losses transferred to the US Partner as part of the Tax Equity Partnership agreements for approximately EUR 11 million.

(EUR thousand)	2025		2024	
Profit before taxes	**130,912**		**226,386**	
Operating profit	**172,116**		**251,504**	
Theoretical tax charge[(1)] (IRES)	**31,419**	**24%**	**54,333**	**24%**
Theoretical tax charge (IRAP)	**8,606**	**5%**	**12,575**	**5%**
Total theoretical tax charge	**40,025**		**66,908**	
Impacts:				
Tax effect on permanent changes	923		5,199	
ROL Benefit effect	(6,680)		(6,324)	
Different rate effect on foreign companies	(792)		555	
Negative taxable effect on IRAP	1,348		2,347	
Tax effects relating to previous years	(3,078)		1,632	
Effect of Substitute taxes	-		(27,509)	
Positive taxable effect of US PTC	(4,786)		(2,489)	
Global Minimum top-up Tax (Pillar 2)	759		807	
Other reasons	5,765		(6,779)	
Total impacts	**(6,542)**		**(32,460)**	
Total Income taxes	**33,483**		**34,448**	

(1) The theoretical tax charge is determined on the basis of the rate applicable in Italy, it being the country with the largest share of taxable income.

NOTE 42 - CURRENT TAX ASSETS AND LIABILITIES

(EUR thousand)	31/12/2025 Current tax assets	31/12/2025 Current tax liabilities	31/12/2024 Current tax assets	31/12/2024 Current tax liabilities
Italy	12,546	(5,938)	6,466	(12,725)
France	5,080	(814)	6,570	(295)
Germany	10,920	(7,789)	7,520	(12,066)
Spain	-	(1,063)	985	(2,393)
Poland	185	(153)	560	(369)
Romania	400	(1,079)	398	(671)
United Kingdom	1,443	(2,956)	-	(6,745)
Bulgaria	1,405	(228)	2,512	(124)
Total	**31,979**	**(20,020)**	**25,012**	**(35,388)**

Current tax assets of EUR 32 million (EUR 25 million at 31 December 2024) mainly refer to advance payments on direct taxes for the year 2025.

Current tax liabilities of EUR 20 million (EUR 35 million at 31 December 2024) mainly refer to tax liabilities on direct taxes for the year 2025.

NOTE 43 - DEFERRED TAXATION

Relevant information on the accounting standards adopted and recognition and measurement criteria

Pursuant to the accrual basis of accounting, the Consolidated Financial Statements include deferred tax assets and liabilities arising from temporary differences deriving from adjustments made to consolidated companies' financial statements to comply with the Group's accounting policies, as well as from temporary differences between the carrying amounts and related tax bases, and on unused tax losses.
Deferred tax assets are allocated when their future recovery is probable. The recoverability of the temporary differences and of the tax losses is contextualised within the various expiry dates of the tax consolidation agreements.
The quantitative limit of 80% does not apply for tax losses generated in the first three years from the incorporation of the company, provided that they refer to a new productive activity.
Deferred taxes are calculated on the basis of the tax rates expected to be in force in the periods in which the taxable and deductible temporary differences will be reversed.

Deferred tax assets, amounting to EUR 74 million (EUR 54 million at 31 December 2024), are determined by the carry-forward of tax losses, as well as by temporary differences relating mainly to amortisation, depreciation and impairment losses and provisions for risks and charges.
The Group considers it reasonably certain that the deferred tax assets recognised at 31 December 2025 will be recovered.

(EUR thousand)	31/12/2025 Temporary differences	31/12/2025 Tax effect	31/12/2024 Temporary differences	31/12/2024 Tax effect
Deferred tax assets				
Amortisation, depreciation and impairment losses of non-current assets	361,186	86,711	296,919	71,410
Tax losses	281,123	64,885	287,477	66,384
Provision for risks and charges	78,547	18,679	81,756	19,494
Other impairment losses	13,729	3,126	27,955	6,540
Other	136,605	37,695	231,456	57,533
Total	**871,190**	**211,096**	**925,562**	**221,360**
Offsettable deferred taxes		**(135,092)**		**(167,036)**
Total deferred tax liabilities after offsetting		**76,004**		**54,325**

Deferred tax liabilities, amounting to EUR 215 million (EUR 219 million at 31 December 2024) refer in particular to temporary differences generated by Purchase Price Allocations of past and current acquisitions.

	31/12/2025		31/12/2024	
thousand	Temporary differences	Tax effect	Temporary differences	Tax effect
Deferred tax liabilities				
Price Purchase Allocation	1,247,999	303,521	1,392,594	349,016
Amortisation and depreciation of non-current assets	145,304	30,714	93,364	19,735
Other	69,977	16,109	75,081	17,284
Total deferred tax liabilities before offsetting	**1,463,280**	**350,344**	**1,561,039**	**386,036**
Offsettable deferred taxes		**(135,092)**		**(167,036)**
Total deferred tax liabilities after offsetting		**215,251**		**219,000**

VII. OPERATING ASSETS HELD FOR SALE

On 20 January 2026, in line with the guidelines of the Business Plan, which provide for a geographical repositioning, ERG announced the signing and simultaneous closing of two significant transactions in Sweden and the United Kingdom as described in more detail in the **Directors' Report**. Specifically, with regard to Sweden, ERG, through its subsidiary ERG Power Generation S.p.A., has signed an agreement with Nordetic AB for the sale of the entire share capital of ERG Sweden Holding AB, owner of Furukraft AB, the company that owns the 62 MW Furuby wind farm located in Sweden.
The aforementioned disposal is presented in these Consolidated Financial Statements as "operating assets held for sale" in accordance with IFRS 5, as it is a geographical segment of operations that is being discontinued.
The consideration in terms of Enterprise Value was equal to EUR 70 million, including costs related to the sale of the asset.

In consideration of the above, in these Consolidated Financial Statements, the item profit (loss) from assets held for sale in the income statement therefore includes both for 2025 and for the comparative period 2024, the contribution to the income statement of the assets in Sweden. With regard to the statement of financial position figures, those relating to the assets and liabilities of the assets in Sweden held for sale are indicated separately, in application of the requirements of IFRS 5.

IFRS 5 requires that net assets held for sale be recognised at the lower of their carrying amount and fair value (enterprise value at 31 December 2025 equal to approximately EUR 71 million) less costs to sell. A comparison between this value and the net invested capital (equal to EUR 96 million at 31 December 2025) revealed an impairment of approximately EUR 26 million, which has already been reflected in these Consolidated Financial Statements. Costs to sell amounted costs amounted to EUR 0.7 million.

NOTE 44 - ASSETS AND LIABILITIES HELD FOR SALE

Relevant information on the accounting standards adopted and recognition and measurement criteria

Classification

An entity must classify a non-current asset (or a disposal group) as held for sale, if its carrying amount will be recovered primarily through a sale transaction rather than through its continuing use.
Two criteria must be met:

- *the asset must be available for immediate sale in its current condition subject only to terms that are usual and customary for sales of such assets (or disposal groups);*
- *the sale must be highly probable.*

IFRS 5 establishes that if a non-current asset (or disposal group) is classified as held for sale, it must be measured, at the time of its initial recognition, at the lower of the carrying amount and the fair value less costs to sell.
Non-current assets are presented as "operating assets held for sale" when such assets have been discontinued or classified as held for sale

a) represent a separate major line of business or geographical segment;
b) are a part of a single coordinated plan to dispose of a separate major line of business or geographical segment of operations; or
c) are represented by a subsidiary acquired exclusively for resale.

Intra-group transactions

In accordance with the provisions of IFRS 5, the Group has decided to eliminate intra-group items within income from continuing operations as it does not expect that in the future the Group's operating division will continue to operate with the division subject to disposal.

Accounting policies

A non-current asset classified as held for sale and the assets of a disposal group classified as held for sale must be recognised separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale must be presented separately from the other liabilities in the statement of financial position. These assets and liabilities must not be offset and shown in the financial statements as a net amount. An entity must not reclassify or re-present amounts previously classified as non-current assets, or as assets and liabilities belonging to disposal groups, classified as held for sale, in the statements of financial position of previous years presented for comparative purposes to align with the classification in the statement of financial position for the latest period reported.

The statement of financial position at 31 December 2025 is represented in accordance with the provisions of IFRS 5, indicating separately in the lines **"Assets held for sale"** and **"Liabilities related to assets held for sale"** the assets and liabilities relating to the operations in Sweden:

(EUR thousand)	Notes	31/12/2025 Sweden	31/12/2025 Intra-group transactions	31/12/2025 Total
ASSETS				
Authorisations and concessions	a	2,426	-	2,426
Property, plant and equipment	b	68,258	-	68,258
Right-of-use assets	c	3,239	-	3,239
Other non-current financial assets		308	-	308
Deferred tax assets		824	-	824
Other non-current assets	d	13,566	-	13,566
Non-current assets		**88,620**	**-**	**88,620**
Trade receivables		1,215	-	1,215
Current financial assets ERG Group vs Sweden	e	-	(20,022)	(20,022)
Cash and cash equivalents		10,000	-	10,000
Current assets		**11,215**	**(20,022)**	**(8,806)**
Assets held for sale		**(99,836)**	**20,022**	**(79,814)**
LIABILITIES				
Deferred tax liabilities		768	-	768
Provision for dismantling expenses		2,067	-	2,067
Financial liabilities measured at fair value	f	15,752	-	15,752
Non-current financial liabilities	e	20,022	-	20,022
Non-current financial liabilities ERG Group vs Sweden	e	-	(20,022)	(20,022)
Non-current lease liabilities	c	3,466	-	3,466
Other non-current liabilities		15	-	15
Non-current liabilities		**42,089**	**(20,022)**	**22,067**
Trade payables		982	-	982
Other current liabilities		74	-	74
Current tax liabilities		16	-	16
Current liabilities		**1,072**	**-**	**1,072**
Liabilities associated with assets held for sale		**(43,161)**	**20,022**	**(23,139)**

Notes

a) The carrying-amount of authorisations and concessions recognised in the purchase price allocation, net of the impairment loss recorded in application of International Financial Reporting Standard IFRS 5;

b) property, plant and equipment consist of the Furuby wind farm, operational in Sweden, with an installed capacity of approximately 62 MW;

c) the carrying-amount of right-of-use assets and the related financial liability recognised in accordance with IFRS 16;

d) mainly deferred income of EUR 12.4 million, equal to the positive fair value component estimated during the initial calibration of the VPPA valuation model signed for the Furuby wind farm, arising from the need to align the fair value at the time of signing to zero;

e) intercompany balances mainly relate to financial assets of ERG Power Generation S.p.A. accrued towards ERG Sweden Holding AB, which is subject to disposal and, following the application of IFRS 5, are no longer eliminated on consolidation;

f) the fair value component of the VPPA referred to in point d), including movements between the signing date and 31 December 2025.

Cash Flows

The following are the cash flows generated by operating activities held for sale:

(EUR thousand)	2025
Opening cash and cash equivalents	0
Cash flows from operating activities of assets held for sale	12,340
Cash flows from investing activities of assets held for sale	-
Cash flows from financing activities of assets held for sale	(2,339)
Cash and cash equivalents at the end of the year	**10,000**

NOTE 45 - PROFIT (LOSS) FROM ASSETS HELD FOR SALE

Relevant information on the accounting standards adopted and recognition and measurement criteria

In the income statement, the entity must indicate a single amount referring to the discontinued operations or to the asset held for sale.
This amount will relate to the entire period and not the result from the time the component became a discontinued operation. An entity must present Income Statement figures for previous periods presented in the Consolidated Financial Statements, so that the disclosure refers to all operations discontinued by the end of the most recent reporting year.

Below is the income statement for the years 2025 and 2024 of the assets held for sale in Sweden:

(EUR thousand)	Notes	2025	2024
Revenue	a	8,811	5,537
Other income		-	2,867
Purchases		-	-
Services and other operating costs	b	(3,750)	(2,838)
Personnel expense		-	-
GROSS OPERATING PROFIT (LOSS)		**5,061**	**5,566**
Amortisation of Intangible assets		(1,024)	(1,052)
Depreciation of property, plant and equipment and right-of-use assets		(2,444)	(2,421)
Impairment losses	c	(25,865)	(979)
OPERATING PROFIT (LOSS)		**(24,272)**	**1,114**
Financial income		-	14
Financial expense	d	(2,208)	(5,069)
Net financial income (expense)		**(2,208)**	**(5,055)**
Net gains (losses) on equity-accounted investments		-	-
Other net gains (losses) on equity investments		-	969
Net gains (losses) on equity investments		**-**	**969**
PROFIT (LOSS) BEFORE TAXES		**(26,480)**	**(2,971)**
Income taxes		(500)	749
Net profit (loss) from assets held for sale		**(26,981)**	**(2,223)**

Notes

a) Revenue consists of the sale to third parties of electricity generated by the 62 MW Furuby wind farm. The increase compared with the previous year is due to the wind farm reaching full operational capacity during the 2024 financial year.
b) Services and other operating costs refer to maintenance costs, commercial expenses, costs for utilities and agreements for local authorities;
c) This item refers to the impairment loss of approximately EUR 26 million recognised in view of the disposal finalised in January 2026, in application of IFRS 5 (see following table);
d) Financial expenses refer to the intercompany financing and centralised treasury arrangement between ERG Sweden Holding AB and ERG Power Generation S.p.A., which is no longer subject to elimination.

Details of the calculation of the aforementioned impairment loss are provided below.

	(EUR thousand)	
a)	Sale price of ERG Sweden Holding AB assets	70,850
b)	Net invested capital of assets sold	96,031
c) = a) - b)	**Difference between sale price and net invested capital of the asset sold**	**(25,181)**
d)	Ancillary sales costs	(684)
e) = c) + d)	**Total net impairment loss recognised following the sale**	**(25,865)**

VIII. OTHER NOTES

NOTE 46 - BUSINESS COMBINATIONS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at fair value and includes all contingent considerations at the acquisition date. Subsequent changes in the fair value of contingent considerations are recognised in the income statement, in compliance with applicable standards.

Goodwill, recognised at the date of acquisition of control, is equal to the difference between:

- *the consideration transferred and the amount of any non-controlling interest in the acquiree measured in accordance with IFRS 3 (fair value of the pro-rata share of equity attributable to non-controlling interests);*
- *the net value of the amounts of the identifiable assets acquired and the liabilities assumed, measured at fair value.*

The costs related to the acquisitions are recognised as expenses in the periods in which they are incurred.

In the case of acquisition of operational (wind or photovoltaic) farms, in order to identify whether the object of the acquisition is a business according to the definition provided by IFRS 3, it is necessary to determine whether substantial processes have been acquired.

As part of this consideration, in the view of the Group's management, O&M activities are a critical process for the functioning of the farms, as these could not produce output or maintain the level of production without continuous O&M activities.

In the case of acquisition of projects (e.g. objects that do not yet generate outputs), the Group deems that the conditions for considering these transactions as business combinations are not met. Consequently, project acquisitions will be accounted for as asset acquisitions.

"Broken Cross" Business Combination

On **16 January 2025**, ERG, through its subsidiary ERG UK Holding Ltd, finalised the agreement with BayWa r.e AG, a leading operator in the renewable energy sector, for the acquisition of 100% of the shares of BayWa r.e. UK (Jubilee) Limited, a company that owns Broken Cross Wind Farm Limited, which owns a 43.2-MW onshore wind farm in South Lanarkshire, Scotland.

The wind farm, which entered into operation in the fourth quarter of 2024, consists of nine Nordex N133 turbines, each with a capacity of 4.8 MW and benefits from a 15-year Contract for Difference (CfD) awarded in the AR4 auction, in line with the Group's revenue securitisation strategy. The annual production is estimated at approximately 120 GWh, equivalent to 46 kt of CO2 emissions avoided each year, equal to the energy needs of over 28,000 households.

As per the press release of 28 December 2023, the enterprise value of the transaction was approximately GBP 60 million, with an equity value of approximately EUR 2 million.

The transaction is a business combination pursuant to the definition provided by IFRS 3. To this end, it should be noted that the scope of acquisition includes plants, Operation & Maintenance contracts, PPAs and CfDs, and land lease contracts. These contracts represent critical processes for the operation of the farms. The O&M contract, in particular, allow access to an organised workforce that carries out processes that are key to the ability of wind farms to continue producing output.

This document reflects the impacts of the consolidation of the companies acquired as from 1 January 2025.

Determination of the total acquisition price

The acquisition consideration was EUR 2 million (GBP 2 million) for the acquisition of 100% of the share capital of the target companies, including deferred components of the acquisition consideration to be settled within 12 months. It should also be noted that a net financial indebtedness totalling EUR 62 million (GBP 50 million) was assumed, including the shareholder loan. It should be specified that the acquisition-related costs incurred by the Group amounted to EUR 0.4 million, related to legal fees and due diligence costs, mainly incurred in the period 2024. These costs were included in the Services and other operating costs item in the respective period.

Measurement of the assets and liabilities of the business combination at the acquisition date

The acquisition was recognised on a definitive basis; the fair values of the acquired assets were determined on the basis of the best estimate available at the preparation date of the Consolidated Financial Statements and are shown in the table below:

EUR thousand	Acquisition figures	Adjustment to the acquisition figures	Assets acquired and liabilities assumed
Authorisations and concessions	-	17,730	17,730
Property, plant and equipment	72,364	-	72,364
Right-of-use assets	2,391	-	2,391
Instruments measured at fair value	1,599	-	1,599
Deferred tax assets	-	5,201	5,201
Non-current assets	**76,354**	**22,931**	**99,285**
Trade receivables	3,038	-	3,038
Cash and cash equivalents*	1,295	-	1,295
Current assets	**4,333**	**-**	**4,333**
TOTAL ASSETS	**80,687**	**22,931**	**103,618**
	-		
Equity attributable to the owners of the parent	1,587	(2,380)	(793)
Total Equity	**1,587**	**(2,380)**	**(793)**
Deferred tax liabilities	2,839	4,433	7,271
Provision for dismantling expenses	768	-	768
Other non-current provisions	-	678	678
Instruments measured at fair value*	-	20,201	20,201
Non-current financial liabilities*	61,385	-	61,385
Non-current lease liabilities*	2,279	-	2,279
Non-current liabilities	**67,271**	**25,311**	**92,582**
Trade payables	10,127	-	10,127
Current financial liabilities*	1,591	-	1,591
Current lease liabilities*	112	-	112
Current liabilities	**11,829**	**-**	**11,829**
TOTAL EQUITY AND LIABILITIES	**80,687**	**22,931**	**103,618**
*** Impact on Net Financial Indebtedness**	**(64,071)**	**(20,201)**	**(84,272)**

The **Acquisition figures** column shows the opening balances determined on the basis of the accounting records at the date of first-time consolidation (1 January 2025) of the acquirees expressed in accordance with the IFRS:

- **property, plant and equipment**: wind farm recognised at acquisition cost including ancillary costs, costs directly attributable to the asset and adjusted by the related accumulated depreciation and capitalisation of dismantling costs;
- **right-of-use assets**: recognition of the right of use on land according to the provisions of IFRS 16;
- **cash and cash equivalents**: cash on hand held in current accounts;
- **provision for dismantling expense**: provisions for dismantling expenses accounted for as a balancing entry to the increase in the carrying amount of the asset;
- **non-current financial liabilities**: non-current portion of bank borrowings for project financing and recording of accrued interest;
- **lease liabilities**: recognition of the present value of payments due for the right of use of land;
- **trade payables**: amounts due to suppliers in connection mainly with the construction of the wind farm;
- **current financial liabilities**: Shareholder loan to ERG UK Holding Ltd.

The following fair values determined on a provisional basis were included in the column **Adjustment to the acquisition figures**:

- **intangible assets**: gain allocated upon recognition of the acquisition; this gain was posted to the item "Authorisations and concessions" taking into account a time horizon of future economic benefits of 40 years;
- **other non-current liabilities**: related to the recognition of the estimated fair value at the date of initial recognition of long-term fixed-price energy sales contracts (PPAs and CfDs);
- **deferred tax assets** and **liabilities** related to the allocation referred to above;
- **other non-current provisions**: recognition of charges for contingent liabilities determined at the time of acquisition.

Determination of goodwill

The difference between the total acquisition price and the net value of the acquired assets and liabilities was recognised as goodwill, as illustrated in the following table:

(EUR thousand)	
Acquisition consideration (including deferred components)	2,305
Fair value of the acquired net assets	(793)
Goodwill	**3,098**

Broken Cross contribution in 2025

The date of first consolidation (1 January 2025) corresponds to the opening date of these Consolidated Financial Statements; therefore, the acquired company fully contributed to the Group's Income Statement during the period with revenue of EUR 11 million, a gross operating profit (loss) of EUR 9 million, and a net profit attributable to the owners of the parent of EUR 4 million.

NOTE 47 - NON-RECURRING ITEMS

As required by CONSOB Communication no. DEM/6064293 of 28 July 2006, significant income and expense arising from non-recurring transactions or events that do not occur frequently in the ordinary course of business are presented below. The aforesaid "Non-recurring items" are included among the special items indicated in the **Directors' Report**.

(EUR thousand)		2025		2024
Other income		-		-
Purchases	1)	500	8)	4,144
Change in inventories		-		-
Services and other operating costs		-		-
Personnel expense	2)	(9,223)	9)	(8,482)
Amortisation, depreciation and impairment losses of non-current assets		-		-
Net financial income (expense)	3)	(80,957)	10)	(14,371)
Net gains (losses) on equity investments	4)	2,251		-
Income taxes	5)	3,971	11)	(2,009)
Profit (loss) from continuing operations (non-recurring items)	6)	18,863	12)	32,712
Profit (loss) from continuing operations of non-recurring items		**(64,595)**		**11,994**
Profit (loss) from discontinued operations (non-recurring items)	7)	(26,981)	13)	(2,222)
Profit (loss) generated by non-recurring items		**(91,575)**		**9,772**
Non-controlling interests		-		-
Profit (loss) generated by non-recurring items		**(91,575)**		**9,772**

In **2025**:

1) excise duties reimbursed relating to previous years as part of the divested businesses.

2) the items include charges related to non-recurring transactions that have been completed, are in progress, or were unsuccessful, as well as the impact of the collection of positive items from previous financial years and the reversal of provisions relating to the Provision for disposed businesses;

3) the item includes the impairment losses of photovoltaic plants in Spain following the impairment testing procedure and the write-downs of a number of assets subject to repowering or revamping in Italy, Germany and France;

4) net financial income arising from the early termination of the Project Financings of the newly acquired UK company and of the French company C.E.P.E. Renouvellement Haut Cabardès, including the proceeds from the positive fair value of the related hedging derivatives, as part of Liability Management activities;

5) the item includes a positive purchase price adjustment accrued in the 2025 financial year in relation to the disposal of the thermoelectric business;

6) the item includes the tax impact of the items commented on above;

7) the item refers to the profit or loss of the Sweden business, which includes the impairment of approximately EUR 26 million recognised in view of the disposal finalised in January 2026, in application of IFRS 5.

In **2024**:

8) Capital gain from the sale, at market value, of works of art recorded in the non-current assets of the Parent ERG S.p.A. to a related party;

9) ancillary charges related to completed, ongoing or failed extraordinary transactions and reversal of Provisions for disposed businesses;

10) mainly charges related to certain Repowering and Revamping projects in Italy already impaired in the previous period;

11) losses on equity investments mainly refer to a price adjustment on the sale of equity investments related to disposed businesses and to impairment losses on equity investments not consolidated on a line-by-line basis;

12) the item includes the benefit arising from the redemption of the capital gains related to the Siena and Donatello Business Combinations occurred in 2022 and merged in 2023, as well as the tax effect of the items commented above;

13) the item refers to the 2024 profit or loss of the Sweden business, reclassified under "Operating assets held for sale".

NOTE 48 - RELATED PARTIES

As required by CONSOB resolution 17221 dated 12 March 2010, as amended, the amounts relating to positions and transactions with related parties are indicated below.

The transactions carried out by ERG with related parties pertain mainly to:
- the exchange of goods, the performance of services, the provision and use of financing;
- contributions to non-corporate parties, referred to ERG, that pursue humanitarian, cultural and scientific initiatives. In particular, the Edoardo Garrone Foundation, established as a natural evolution of the engagement of the Garrone and Mondini families in the social and cultural fields, dedicated to the memory of Edoardo Garrone who, in 1938, launched the industrial activity of the ERG Group.

Most of these transactions are exempted from the application of the internal ERG regulation **Procedure for Related Party Transactions**, issued to implement the CONSOB regulation, because they are ordinary transactions concluded at market or standard conditions, or because they are below the threshold of materiality prescribed by the procedure itself.
All transactions were carried out in the interest of the Group and, with the exception of the transactions with entities pursuing humanitarian, cultural and scientific initiatives, are included under ordinary operations. The joint ventures, associates and subsidiaries excluded from the consolidation scope are indicated in the **Note 49 – List of Group companies and transactions of the year** in the section dedicated to the list of companies recognised at cost.

Impact of transactions or positions with related parties on the Statement of Financial Position

The most significant dealings with the joint ventures, associates and subsidiaries excluded from the consolidation scope pertain to:
- a non-current financial receivable from Toro Renovables 400 KV SL for non-capital contributions related to the start-up of the substation;
- other non-current financial assets from subsidiaries not consolidated but included among companies recognised at cost in **Note 49 - List of Group companies and transactions for the year.**

The impact of transactions or positions with related parties on the items of the Statement of Financial Position is indicated in the following tables (in EUR thousands):

31/12/2025

(EUR thousand)	ERG Petroleos	Toro Renovables 400 KV SL	Directors and Statutory Auditors	Key Managers	Other non-consolidated companies	Total	% of total item
Other non-current financial assets	-	4,864	-	-	1,164	6,028	12%
Trade receivables	-	-	-	-	69	69	0%
Other current assets	1,103	-	-	-	-	1,103	0%
Trade payables	-	-	-		24	208	0%
Other current liabilities	-	-	916	942	17	1,875	3%

31/12/2024

(EUR thousand)	ERG Petroleos	Directors and Statutory Auditors	Key Managers	Other non-consolidated companies	Total	% of total item
Other non-current financial assets	-	-	-	1,967	1,967	4%
Trade receivables	-	-	-	117	117	0%
Other current assets	1,059	-	-	-	1,059	1%
Trade payables	-	-	-	70	70	0%
Other current liabilities	-	857	663	3	1,523	3%
Current financial liabilities	-	-	-	47	47	0%

Impact of transactions or positions with related parties on the income statement

The most significant transactions with joint ventures, associates and subsidiaries excluded from the scope of consolidation concern costs payable to the Edoardo Garrone Foundation related to the contribution for the period and costs for services related to the emolument for the office of Chairman held in a Group company by a related party of ERG S.p.A.

The impact of transactions or positions with related parties on the items of the income statement is indicated in the following tables (in EUR thousands):

31/12/2025

(EUR thousand)	Directors and Statutory Auditors	Key Managers	Other	Total	% of total item
Other income	-	-	135	135	0%
Services and other operating costs	(7,477)	-	-	(7,477)	4%
Personnel expense	-	(3,281)	-	(3,281)	5%

31/12/2024

(EUR thousand)	San Quirico S.p.A.	Fondazione Edoardo Garrone	Directors and Statutory Auditors	Key Managers	Other	Total	% of total item
Revenue	-	-	-	-	20	20	0%
Other income	4,114	-	-	-	114	4,228	8%
Services and other operating costs	(88)	(100)	(7,160)	-	(245)	(7,593)	4%
Personnel expense	-	-	-	(2,943)	-	(2,943)	5%
Financial income	-	-	-	-	(124)	(124)	0%

Details of the remuneration of key figures are provided below[9] (in EUR thousands):

Directors

(EUR thousand)	2025	2024
Short-term benefits	4,919	4,761
Share-based payments	1,825	1,825
Total	**6,744**	**6,586**

Key Managers

(EUR thousand)	2025	2024
Short-term benefits	1,935	1,967
Post-employment benefits	136	144
Share-based payments	976	976
Total	**3,047**	**3,087**

Impact of transactions or positions with related parties on cash flows

The impact of related party cash flows is indicated in the following tables:

	2025		
(EUR thousand)	Total	Related parties	% impact
Cash flows from operating activities	404,145	(119)	0%
Cash flows from investing activities	169,271	-	0%
Cash flows from financing activities	(744,549)	4,061	1%
Cash flows for the year	**(171,132)**	**3,942**	

	2024		
(EUR thousand)	Total	Related parties	% impact
Cash flows from operating activities	503,711	5,790	1%
Cash flows from investing activities	(726,664)	-	0%
Cash flows from financing activities	356,352	-	0%
Cash flows for the year	**133,399**	**5,790**	

9 The values do not include the emolument for the office of Chairperson held in a Group company by a related party of ERG S.p.A.

NOTE 49 - LIST OF GROUP COMPANIES AND TRANSACTIONS OF THE YEAR

The transactions that took place during the year regarding equity investments are reported below:

- on 29 January 2025, the British company Baywa R.E. UK (Jubilee) Limited, which was recently acquired, changed its name to Broken Cross Wind Farm Holding Ltd;
- on 19 May 2025, the French company PARC AGRIVOLTAÏQUE DES BELUETS SAS was established, with registered office in Paris, 16 boulevard Montmartre, share capital of EUR 7,500, fully subscribed by ERG France Holding SAS;
- on 31 July 2025, the French company CENTRALE PHOTOVOLTAÏQUE DU PLA D'ALZAU SAS was established, with registered office in Paris, 16 boulevard Montmartre, Paris Trade and Companies Register number 989 748 587, share capital of EUR 7,500, fully subscribed by ERG France Holding SAS;
- on 2 and 22 September 2025, respectively, the mergers by incorporation of the German companies UGE Barkow Zwei GmbH & Co. KG Umweltgerechte Energie and UGE Barkow Drei GmbH & Co. KG Umweltgerechte Energie, into UGE Barkow GmbH & Co. KG Umweltgerechte Energie ("Merging Company") were completed. Following the mergers, the Merging Company increased its share capital from EUR 1,000 to EUR 3,000. The accounting and tax effects of the merger take effect on 1 January 2025;
- on 7 November 2025, the withdrawal agreement of ERG Wind Neunte GmbH, in its capacity as General Partner of voltwerk Energy Park 8 GmbH & Co. KG (the "Company"), from the relevant partnership agreement with ERG Windpark Beteiligungs GmbH (the "Limited Partner") was registered with the competent Companies Register. As a result, with effect from 31 October 2025, the Company was dissolved and the Limited Partner took over all of the Company's legal rights and obligations.
- on 9 February 2026, the deed of cross-border merger of ERG Hamburg Holding GmbH into ERG Spain Holdco S.L.U., executed on 23 December 2025 and filed on 24 December 2025, was registered with the competent Register of Companies of Madrid. The mergers took effect from 24 December 2025, while accounting and tax effects apply as from 1 January 2025. Consequently, as from 24 December 2025, ERG Hamburg Holding GmbH was dissolved, its corporate bodies ceased to hold office, all powers of attorney granted in its name terminated, and ERG Spain Holdco S.L.U succeeded by universal succession to all the assets and liabilities of ERG Hamburg Holding GmbH.

The following tables list the companies consolidated on a line-by-line basis, those measured using the equity method, and those measured at fair value, including the transactions detailed above.

List of companies consolidated **on a line-by-line basis**:

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)
ERG S.p.A.						
ERG Power Generation S.p.A.	Genoa (Italy)	100%	100%	EUR	100,000	3,588,711
ERG Power Generation S.p.A.						
Corni Eolian S.A.	Constanța (Romania)	100%	100%	RON	95,679	313,524
ERG Eolica Adriatica S.r.l.	Genoa (Italy)	100%	100%	EUR	10	78,191
ERG Eolica Campania S.r.l.	Genoa (Italy)	100%	100%	EUR	120	62,844
ERG Eolica Faeto S.r.l.	Genoa (Italy)	100%	100%	EUR	10	10,418
ERG Eolica Fossa del Lupo S.r.l.	Genoa (Italy)	100%	100%	EUR	50	114,234
ERG Eolica Ginestra S.r.l.	Genoa (Italy)	100%	100%	EUR	10	43,008
ERG Eolica San Vincenzo S.r.l.	Genoa (Italy)	100%	100%	EUR	3,500	28,057
ERG Eolica Tirreno S.r.l.	Genoa (Italy)	100%	100%	EUR	10	216
ERG France Holding S.a.s. (2)	Paris (France)	100%	100%	EUR	209,551	243,186
ERG UK Holding Ltd (2)	Edinburgh (UK)	100%	100%	GBP	0	34,500
ERG Wind Bulgaria S.r.l. (2)	Genoa (Italy)	100%	100%	EUR	50	21,077
ERG Wind Investments S.r.l. (2)	Genoa (Italy)	100%	100%	EUR	97,046	475,204
ERG Windpark Beteiligungs GmbH (2)	Hamburg (Germany)	100%	100%	EUR	25	(13,842)
ERG Wind Neunte GmbH	Hamburg (Germany)	100%	100%	EUR	25	118
EW Orneta 2 sp. z o.o. (2)	Warsaw (Poland)	100%	100%	PLN	164,688	215,731
Green Vicari S.r.l.	Genoa (Italy)	100%	100%	EUR	119	16,793
ERG Solar Holding S.r.l. (2)	Genoa (Italy)	100%	100%	EUR	20	122,351
ISAB Energy Solare S.r.l.	Genoa (Italy)	100%	100%	EUR	100	150
Andromeda PV S.r.l.	Genoa (Italy)	100%	79%	EUR	50	64,385
ERG Poland Holding Sp. z o.o (2)	Warsaw (Poland)	100%	100%	PLN	10	26,759
ERG Sweden Holding AB (2)	Stockholm (Sweden)	100%	100%	SEK	50	64,321
ERG Spain Holco S.L.U. (2)	Madrid (Spain)	100%	100%	EUR	4	79,752
Ginestra S.r.l.	Genoa (Italy)	100%	100%	EUR	20	45,436
Breva Wind S.r.l.	Genoa (Italy)	100%	100%	EUR	7,100	449,420
ERG Sviluppo Italia S.r.l.	Genoa (Italy)	100%	100%	EUR	20	177
ERG USA Holding, Inc. (2)	Wilmington, DE (USA)	100%	100%	USD	0	275,392

(1) Data referring to the latest approved financial statements, unless otherwise indicated.
(2) The companies exercise the right not to prepare consolidated financial statements in accordance with local regulations in force.

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)
ERG France Holding S.a.s.						
Eoliennes du Vent Solaire S.a.s.	Paris (France)	100%	100%	EUR	37	1,245
Parc Eolien de Lihus S.a.s.	Paris (France)	100%	100%	EUR	1,114	2,292
Parc Eolien de Hetomesnil S.a.s.	Paris (France)	100%	100%	EUR	1,114	2,213
Parc Eolien de la Bruyère S.a.s.	Paris (France)	100%	100%	EUR	1,060	2,559
Parc Eolien du Carreau S.a.s.	Paris (France)	100%	100%	EUR	861	2,281
Parc Eolien les Mardeaux S.a.s.	Paris (France)	100%	100%	EUR	1,097	2,422
ERG Energies Renouvelables S.a.S.	Paris (France)	100%	100%	EUR	500	2,766
Parc Eolien de la vallèe de Torfou S.a.s.	Paris (France)	100%	100%	EUR	8	2,872
Parc Eolien du Melier S.a.r.l.	Paris (France)	100%	100%	EUR	8	350
Parcs Eoliens des Terres Blanches S.a.s.	Paris (France)	100%	100%	EUR	876	4.140
ERG Wind French Holdings S.a.s.	Paris (France)	100%	100%	EUR	1,410	4,867
ERG Wind France 1 S.a.s.	Paris (France)	100%	100%	EUR	1,097	16,799
WP France 10 S.a.s.	Paris (France)	100%	100%	EUR	6	(1,087)
WP France 6 S.a.s.	Paris (France)	100%	100%	EUR	6	3,670
ERG France S.a.r.l.	Paris (France)	100%	100%	EUR	2,000	(10,951)
Les Moulins de Fruges SAS	Paris (France)	100%	100%	EUR	42,100	24,709
Ferme Eolienne De Saint Pierre De Maillé 1 S.a.s.	Paris (France)	100%	100%	EUR	5,639	3,877
Parc Eolien de St Riquier 3 S.a.s.	Paris (France)	100%	100%	EUR	37	974
Parc Eolien de St Riquier 4 S.a.s.	Paris (France)	100%	100%	EUR	37	535
Holding Quesnoy 2 S.a.s.	Paris (France)	100%	100%	EUR	2,810	1,061
Holding Chery S.a.s.	Paris (France)	100%	100%	EUR	2,410	435
Omniwatt S.a.s.	Paris (France)	100%	100%	EUR	2,201	(7,681)
Ferme Eolienne de Moquepanier S.a.s.	Paris (France)	100%	100%	EUR	2,519	(4,659)
Ferme Eolienne de Clamecy S.a.s.	Paris (France)	100%	100%	EUR	2,000	2,483
Crampon Puchot Energies S.a.s.	Paris (France)	100%	100%	EUR	1,091	252
Solaires Sisteron S.a.s.	Paris (France)	100%	100%	EUR	334	(1,714)
Solaire Sénezergues S.a.s.	Paris (France)	100%	100%	EUR	0	(1,312)
Solaire Arpajon-sur-Cere S.a.s.	Paris (France)	100%	100%	EUR	451	(1,685)
Arsac 1 S.a.s.	Paris (France)	100%	100%	EUR	0	(1,600)
Arsac 3 S.a.s.	Paris (France)	100%	100%	EUR	1	(2,407)
Solaire Greoux S.a.s.	Paris (France)	100%	100%	EUR	0	(2,222)
Solaire Salaunes S.a.s.	Paris (France)	100%	100%	EUR	0	(2,069)
C.E.P.E. Renouvellement Haut Cabardès S.a.s.	Paris (France)	100%	100%	EUR	12,803	12,749
ERG Energies Renouvelables S.a.S.						
ERG Developpement France S.a.s	Paris (France)	100%	100%	EUR	100	(7,748)
Caen Renewables Energy S.a.s. (en liquidation)	Paris (France)	100%	100%	EUR	0	-
Parc Eolien de la Charente Limousine S.a.r.l.	Paris (France)	100%	100%	EUR	8	(112)
Parc Eolien de la Boeme S.a.r.l.	Paris (France)	100%	100%	EUR	8	(134)
Parc Eolien du Moulin du Bois S.a.r.l.	Paris (France)	100%	100%	EUR	8	(878)
Parc Eolien des Bouchats S.a.r.l.	Paris (France)	100%	100%	EUR	8	(1,681)
Parc Eolien de Saint Maurice la Clouere S.a.r.l.	Paris (France)	100%	100%	EUR	8	(519)
Parc Eolien du Pays a Part S.a.r.l.	Paris (France)	100%	100%	EUR	8	(523)
Parc Eolien de Saint Sulpice S.a.r.l.	Paris (France)	100%	100%	EUR	8	(154)
Parc Eolien du Plateaux de l'Ajoux S.a.r.l.	Paris (France)	100%	100%	EUR	8	(63)
Parc Eolien des Terres et Vents de Ravieres S.a.r.l.	Paris (France)	100%	100%	EUR	8	(69)
Parc Eolien de Porspoder S.a.r.l.	Paris (France)	100%	100%	EUR	8	(96)
ERG Solar Holding S.r.l.						
Calabria Solar S.r.l.	Genoa (Italy)	100%	100%	EUR	10	45,214
ERG Solar Piemonte 3 S.r.l.	Genoa (Italy)	100%	100%	EUR	10	22,662
ERG UK Holding Ltd						
Craiggore Energy Limited	Belfast (UK)	100%	100%	GBP	0	(2,939)
Creag Riabhach Wind Farm Ltd	Edinburgh (UK)	100%	100%	GBP	50	(4)
Evishagaran Windfarm LTD	Belfast (UK)	100%	100%	GBP	0	(4,298)
Sandy Knowe Wind Farm LTD	London (UK)	100%	100%	GBP	0	(2,319)
Corlacky Energy LTD	Belfast (UK)	100%	100%	GBP	0	(125)
Broken Cross Wind Farm Holding Ltd	London (UK)	100%	100%	GBP	0	13,641

(1) data referring to the latest approved financial statements

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital [1]	Equity [1]
Broken Cross Wind Farm Holding Ltd						
Broken Cross Wind Farm Limited	Edinburgh (UK)	100%	100%	EUR	0	(333)
ERG Wind Bulgaria S.r.l.						
Globo Energy EOOD	Sofia (Bulgaria)	100%	100%	BGN	4,379	11,983
K&S Energy EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,179	8,440
K&S Energy 1 EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,023	10,959
K&S Energy 2 EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,051	11,214
Mark 1 EOOD	Sofia (Bulgaria)	100%	100%	BGN	4,113	12,045
Mark 2 EOOD	Sofia (Bulgaria)	100%	100%	BGN	4,113	11,389
VG-1 EOOD	Sofia (Bulgaria)	100%	100%	BGN	1,520	4,767
VG-2 EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,034	9,865
VG-3 EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,057	9,838
VG-4 EOOD	Sofia (Bulgaria)	100%	100%	BGN	2,955	12,058
VG-5 EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,059	10,190
VG-6 EOOD	Sofia (Bulgaria)	100%	100%	BGN	3,023	9,554
Wind Park Kavarna East EOOD	Sofia (Bulgaria)	100%	100%	BGN	505	7,406
Wind Park Kavarna West EOOD	Sofia (Bulgaria)	100%	100%	BGN	175	7,655
WP Bulgaria 4 EOOD	Sofia (Bulgaria)	100%	100%	BGN	2,157	6,025
ERG Wind France 1 S.a.s.						
Cepe de Montbeliard S.a.s.	Paris (France)	100%	100%	EUR	365	2,127
Cepe de Murat S.a.s.	Paris (France)	100%	100%	EUR	444	3,375
Cepe de Saint Florentin S.a.s.	Paris (France)	100%	100%	EUR	251	1,316
Ferme Eolienne de Teterchen S.a.s.	Paris (France)	100%	100%	EUR	100	856
Parc Eolien du Bois de l'Arche S.a.s.	Paris (France)	100%	100%	EUR	100	1,932
Parc Eolien du Bois de Bigot S.a.s.	Paris (France)	100%	100%	EUR	80	1,408
ERG Wind French Holdings S.a.s.						
Parc Eolien de la Chaude Vallee S.a.r.l.	Paris (France)	100%	100%	EUR	8	1,715
Parc Eolien de Morvillers S.a.r.l.	Paris (France)	100%	100%	EUR	8	1,174
Parc Eolien de Garcelles-Sacqueville S.a.s.	Paris (France)	100%	100%	EUR	1,037	1,287
Parc Eolien du Patis S.a.s.	Paris (France)	100%	100%	EUR	1,164	2,702
Parc Eolien Hauts Moulins S.a.r.l.	Paris (France)	100%	100%	EUR	15	1,227
Parc Eolien Moulins des Champs S.a.r.l.	Paris (France)	100%	100%	EUR	15	1,126
Parc Eolien de St Riquier 1 S.a.s.	Paris (France)	100%	100%	EUR	37	692
SAS Société d'Exploitation du Parc Eolien de la Souterraine	Paris (France)	100%	100%	EUR	505	(91)
Parc Eolien de Oyré Saint Sauveur S.a.s.	Paris (France)	100%	100%	EUR	37	26
Société d'Exploitation du Parc Eolien Le Nouvion S.a.s.	Paris (France)	100%	100%	EUR	37	(4,599)
ERG Wind Investments S.r.l.						
ERG Wind Holdings (Italy) S.r.l.	Genoa (Italy)	100%	100%	EUR	212	172,187
ERG Wind MEI 2-14-1 Limited	London (UK)	100%	100%	EUR	0	(4,305)
ERG Wind MEI 2-14-2 Limited	London (UK)	100%	100%	EUR	0	(625)
ERG Wind Holdings (Italy) S.r.l.						
ERG Wind Energy S.r.l. [3]	Genoa (Italy)	66%	100%	EUR	1,525	386,505
ERG Wind Sardegna S.r.l.	Genoa (Italy)	100%	100%	EUR	77	77,649
ERG Wind Sicilia 6 S.r.l.	Genoa (Italy)	100%	100%	EUR	77	46,266
ERG Wind Sicilia 6 S.r.l.						
ERG Wind 6 S.r.l.	Genoa (Italy)	100%	100%	EUR	77	35,965
ERG Wind Sicilia 3 S.r.l.	Genoa (Italy)	100%	100%	EUR	77	19,869
ERG Wind MEI 2-14-1 Limited						
ERG Wind MEG 1 LLP [2]	London (UK)	80%	100%	EUR	-	13,414
ERG Wind MEG 2 LLP [2]	London (UK)	80%	100%	EUR	-	9,637
ERG Wind MEG 3 LLP [2]	London (UK)	80%	100%	EUR	-	9,801
ERG Wind MEG 4 LLP [2]	London (UK)	80%	100%	EUR	-	7,981

(1) data referring to the latest approved financial statements
(2) The remaining 20% is held by ERG Wind MEI 2-14-2
(3) The remaining 34% is held 24.2880% by ERG Wind Sardegna S.r.l., 9.1948% by ERG Wind 6 S.r.l., 0.7217% by ERG Wind Sicilia 3 S.r.l. and 0.2118% by ERG Wind Sicilia 6 S.r.l.

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)
ERG Windpark Beteiligungs Gmbh						
ERG Wind 117 GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	1	(2,053)
Voltwerk Windpark Worbzig Gmbh & Co. KG	Hamburg (Germany)	100%	100%	EUR	0	5,352
Voltwerk Windpark Beesenstedt Gmbh & Co. KG	Hamburg (Germany)	100%	100%	EUR	1	8,308
Windpark Cottbuser Halde Gmbh & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	(5,210)
Windpark Achmer Vinte GmbH & Co. KG RENDITEFONDS	Hamburg (Germany)	100%	100%	EUR	7,500	12,180
ERG Wind Weselberg GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	14	17,787
Windpark Linda GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	2	1,586
ERG Development Germany GmbH & Co.KG	Hamburg (Germany)	100%	100%	EUR	3	(626)
UGE Barkow GmbH & und Co. KG UMWELTGERECHTE ENERGIE	Hamburg (Germany)	100%	100%	EUR	3	(1,660)
ERG Germany GmbH	Hamburg (Germany)	100%	100%	EUR	210	571
ERG Wind Ebersgrun GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	10	(6,042)
ERG Wind Hollige GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	10	(8,002)
ERG Wind Norath GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	10	(5,520)
ERG Wind Erbes Büdesheim GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	10	(11,201)
ERG Windpark Aukrug Gmbh & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	(565)
ERG Windpark Reinsdorf GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	(30)
ERG Windpark Heyen Gmbh & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	(115)
ERG Windpark Bokel Gmbh & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	(117)
ERG Windpark Jeggeleben GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	(17)
ERG Wind Brunsbüttel GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	5
ERG Wind Beckedorf GmbH & Co. KG	Hamburg (Germany)	100%	100%	EUR	5	5
ERG Wind Erbes Büdesheim GmbH & Co. KG						
Infrastrukturgesellschaft Erbes-Büdesheim GmbH & Co. KG (2)	Hamburg (Germany)	43%	78%	EUR	3	(2)
EW Orneta 2 sp z o.o.						
ERG Wind Słupia sp. z o.o.	Warsaw (PL)	100%	100%	PLN	7,100	100,842
ERG Wind Szydłowo sp. z o.o.	Warsaw (PL)	100%	100%	PLN	42	67,082
Les Moulins de Fruges SAS						
PARCS EOLIENS DE FRUGES SARL	Paris (France)	100%	100%	EUR	1,891	7,571
Holding Chéry S.A.S.						
Ferme Eolienne De Chery S.a.a.	Paris (France)	100%	100%	EUR	37	639
Holding Quesnoy 2 S.a.s.						
Ferme Eolienne De Quesnoy-Sur-Airaines 2 S.a.s.	Paris (France)	100%	100%	EUR	37	780
ERG Poland Holding						
EW Piotrków Kujawski sp z o.o.	Warsaw (PL)	100%	100%	PLN	5	(10,360)
Laszki Wind sp. z o.o	Warsaw (PL)	100%	100%	PLN	5	3,509
ERG Sweden Holding AB						
Furukraft AB	Stockholm (Sweden)	100%	100%	SEK	50	44,489
Omniwatt S.a.s.						
Omnigreen S.a.s.	Paris (France)	100%	100%	EUR	4,759	8,302
Les Eoliennes De Saint Fraigne S.a.s.	Paris (France)	100%	100%	EUR	3,700	4,543
Neuilly Saint Front Energies S.a.s.	Paris (France)	100%	100%	EUR	37	(963)
Monnes Energies S.a.r.l.	Paris (France)	100%	100%	EUR	1	(1,161)
Saint Congard Energies S.a.s.	Paris (France)	100%	100%	EUR	2	(1,588)
Omnigreen S.a.s.						
Sainte Helene Energies S.a.r.l.	Paris (France)	100%	100%	EUR	1	(4,991)
ERG Solar Colombelles S.a.r.l.	Paris (France)	100%	100%	EUR	1	(2,398)
Reuilly et Diou Energies S.a.r.l.	Paris (France)	100%	100%	EUR	601	2,130
Crampon Puchot Energies S.a.s.						
Wkn Pikardie Verte II S.a.s.	Paris (France)	100%	100%	EUR	1	(5,573)

(1) data referring to the latest approved financial statements
(2) The remaining 34.52% is held by the subsidiary ERG Wind Nack GmbH & Co. KG and 22.36% by a third party company

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)
C.E.P.E. Renouvellement Haut Cabardès S.a.s.						
C.E.P.E DU SOULEILLA S.a.r.l.	Paris (France)	100%	100%	EUR	8	(5,080)
Chaume-Solar S.a.r.l.	Paris (France)	100%	100%	EUR	60	(3,006)
C.P.E.S MAS D'EN RAMIS S.a.s.	Paris (France)	60%	60%	EUR	2,375	1,879
C.P.E.S LA BREDE S.a.s.	Paris (France)	57%	57%	EUR	1,053	720
ERG Spain Holco S.L.U.						
ERG Solar Almansa S.L.U.	Madrid (Spain)	100%	100%	EUR	3	25,296
ERG Solar Tabernas S.L.U.	Madrid (Spain)	100%	100%	EUR	3	12,308
ERG Solar Fregenal de la Sierra S.L.U.	Madrid (Spain)	100%	100%	EUR	3,000	2,348
ERG Solar Montiel S.L.U.	Madrid (Spain)	100%	100%	EUR	3	277
ERG Solar El Abuelito S.L.U.	Madrid (Spain)	100%	100%	EUR	3	278
ERG Solar Buenaventura S.L.U.	Madrid (Spain)	100%	100%	EUR	3	474
Garnacha Solar S.L.U.	Madrid (Spain)	100%	100%	EUR	31	52,820
ERG USA Holding, Inc.						
Project Pinnacle I, LLC	Wilmington, DE (USA)	75%	75%	USD	0	121,907
Project Pinnacle I, LLC (2)						
Apex Mulligan Solar Holdings, LLC	Wilmington, DE (USA)	100%	75%	USD	0	0
Mulligan Solar Development, LLC	Wilmington, DE (USA)	100%	75%	USD	5,474	29,492
Mulligan Solar Blocker, LLC	Wilmington, DE (USA)	100%	75%	USD	0	0
Mulligan Solar Holdings II, LLC (3)	Wilmington, DE (USA)	100%	75%	USD	0	0
Mulligan Solar Holdings, LLC	Wilmington, DE (USA)	100%	75%	USD	4,592	31,030
Mulligan Solar, LLC	Wilmington, DE (USA)	100%	75%	USD	102,989	65,886
Great Pathfinder Wind Equity Holdings, LLC	Wilmington, DE (USA)	100%	75%	USD	0	0
Great Pathfinder Intermediate Holdco 3, LLC	Wilmington, DE (USA)	100%	75%	USD	0	0
Great Pathfinder Intermediate Holdco 2, LLC	Wilmington, DE (USA)	100%	75%	USD	0	0
Great Pathfinder Intermediate Holdco 1, LLC	Wilmington, DE (USA)	100%	75%	USD	20,263	121,729
Great Pathfinder Holdings, LLC	Wilmington, DE (USA)	100%	75%	USD	0	0
Great Pathfinder Wind, LLC	Wilmington, DE (USA)	100%	75%	USD	376,613	358,170

(1) data referring to the latest approved financial statements

(2) The company Project Pinnacle I, LLC was incorporated in 2024 and holds, through the various equity investments listed, 100% of the operating companies Mulligan Solar, LLC and Great Pathfinder Wind, LLC

(3) The company Mulligan Solar Holdings II, LLC is 99% owned by Mulligan Solar Development, LLC and 1% owned by Mulligan Solar Blocker, LLC, which in turn is 100% owned by Mulligan Solar Development, LLC

List of companies recognised using the equity method:

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)	Carrying amount 31/12/2025
Garnacha Solar S.L.U.							
Toro Renovables 400 KV S.L.U. (2)	Madrid (Spain)	23.69%	23.69%	EUR	3	1,647	390
Società collegate							390

(1) data referring to the latest approved financial statements

(2) The Company is owned by 10 other shareholders, owners of other photovoltaic projects, with shareholdings ranging from 5.0% to 8.3%

It should be noted that the company shown in this section is not consolidated on a line-by-line basis as the Group holds only a non controlling interest and does not exercise control within the meaning of IFRS 10. The analysis conducted pursuant to the standard did not reveal the presence of legal control, or de facto control, or substantial rights such as to attribute to the Group the power to direct the relevant activities.

List of companies measured at cost:

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)	Carrying amount 31/12/2025
ERG S.p.A.							
ERG Petroleos S.A.(2)	Madrid (Spain)	100%	100%	EUR	3,050	(7,805)	-
Subsidiaries							-
ERG Power Generation S.p.A.							
ERG Germany Verwaltungs GmbH(3)	Hamburg (Germany)	100%	100%	EUR	25	25	25
Eolico Troina S.r.l. in liquidazione(2)	Palermo (Italy)	99%	99%	EUR	20	250	25
Subsidiaries							50

ERG France Holding SAS							
Parc Eolien de Saint-Loup sur Cher S.a.r.l. (3)	Paris (France)	100%	100%	EUR	8	(3)	8
Parc Eolien du Puits Gergil S.a.r.l. (3)	Paris (France)	100%	100%	EUR	8	(3)	8
Parc Eolien du Plateau de la Perche S.a.r.l. (3)	Paris (France)	100%	100%	EUR	8	(3)	8
Parc Eolien des Boules S.a.r.l. (3)	Paris (France)	100%	100%	EUR	8	(3)	8
Ferme Eolienne de la voie Sacrée Sud S.a.s (3)	Paris (France)	100%	100%	EUR	10	(72)	10
Parc Eolien Des Grandes Bornes S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Eolien Des Jonquilles S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Eolien De La Plaine Du Burel S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Eolien de Saint Priest en Murat S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Eolien de Vent Communaux S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Eolien de la Foye S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Photovoltaïque de la Vallee de la Doulaye SAS (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Eolien des Six Chemins S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Photovoltaïque de la Vallee Brousse S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Central Photovoltaïque des Grandes Bruyeres S.a.s. (3)	Paris (France)	100%	100%	EUR	8	8	8
Solaires ERG 1 S.a.s (3)	Paris (France)	100%	100%	EUR	8	8	8
Parc Agrivoltaïque des Beluets SAS (3)	Paris (France)	100%	100%	EUR	8	8	8
Central Photovoltaïque du Pla d'Alzau SAS (3)	Paris (France)	100%	100%	EUR	8	8	8
Subsidiaries							**146**
ERG Wind Park Beteiligungs Gmbh							
ERG Windpark Bischhausen Gmbh & Co. KG (3)	Hamburg (Germany)	100%	100%	EUR	5	5	5
Subsidiaries							**5**
Voltwerk Windpark Wörbzig GmbH & Co. KG							
Netzbetrieb Windpark Wörbzig GbR (3)	Hamburg (Germany)	32%	32%	EUR	2	0	-
Subsidiaries							**-**
ERG Solar Holding S.r.l.							
Fattoria Solare Futurasun S.r.l. (3)	Genoa (Italy)	100%	100%	EUR	10	104	90
Subsidiaries							**90**
ERG UK Holding Ltd							
High Cairn Wind Farm Limited (3)	Edinburgh(UK)	100%	100%	GBP	0	0	-
Creggan Wind Farm Limited (3)	London (UK)	100%	100%	GBP	0	0	-
Longburn Wind Farm Limited (3)	London (UK)	100%	100%	GBP	0	0	-
Subsidiariese							**-**
ERG Spain Holco S.L.U.							
REN BETA I, S.L.U. (3)	Madrid (Spain)	100%	100%	Euro	3	44	-
Subsidiaries							**-**

(1) data referring to the latest approved financial statements
(2) company in liquidation
(4) companies measured at cost as they are not yet operational

	Registered office	Direct investment	Group's investment	Currency ('000)	Share Capital (1)	Equity (1)	Carrying amount 31/12/2025
ERG S.p.A.							
CAF Interreg. Dipendenti S.r.l.	Vicenza (Italy)	0.04%	0.06%	EUR	276	1,076	-
Meroil S.A.	Barcelona (Spain)	0.87%	0.87%	EUR	19,077	104,214	310
R.U.P.E. S.p.A.	Genoa (Italy)	4.86%	4.86%	EUR	3,058	2,936	155
Other companies							**465**

(1) data referring to the latest approved financial statements

NOTE 50 - IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED STARTING ON 1 JANUARY 2025

As from 1 January 2025, the following standards, interpretations and amendments to existing standards, in relation to which no significant effects on the Consolidated Financial Statements are reported, have become applicable.

- Amendments to IAS 21: Lack of Exchangeability.

NOTE 51 - IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS, PUBLISHED BUT NOT YET ADOPTED EARLY BY THE GROUP AT 31 DECEMBER 2025

Below are the new standards or amendments to the standards, applicable, if approved by the European Union, for annual periods beginning on or after 1 January 2026 and for which earlier application is allowed. However, the Group has decided not to adopt them in advance for the preparation of these Consolidated Financial Statements.

Entry into force	Description	Issue date	Approved
1 January 2026	Amendments to IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	30 May 2024	Yes
	Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	18 December 2024	Yes
	Volume 11 of the Project "Annual improvements to IFRS Accounting Standards" on improving the clarity and internal consistency of the adopted accounting standards	18 July 2024	Yes
1 January 2027	IFRS 18 "Presentation and Disclosure in Financial Statements"	9 April 2024	Yes
	IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	9 May 2024	No

Any impacts of the aforesaid standards are currently being assessed.

NOTE 52 - OTHER INFORMATION

No atypical and/or unusual transactions took place during the year. Atypical and/or unusual transactions are those transactions that due to their significance/relevance, nature of the counterparties, subject of the transaction, procedures for determining the transfer price and timeframe of the event (proximity to the end of the year) can give rise to doubts with regard to: the correctness/completeness of the information in the Consolidated Financial Statements, conflicts of interest, wealth preservation and the protection of non-controlling interests. No advances were provided and there are no amounts due from directors and statutory auditors of the parent for the performance of their duties also in other companies included in the consolidation scope.

Disclosure obligations pertaining to Italian Law no. 124/2017 of 4 August 2017

Article 1, paragraphs 125-129 of Italian Law no. 124 of 4 August 2017 introduced the obligation for companies that receive grants from public administrations to publish the amounts received in their Notes to the Separate Financial Statements and in the Consolidated Financial Statements, if these are drawn up. In view of the interpretation difficulties encountered in applying these provisions (Assonime – circular no. 5 of 22 February 2019) the legislator intervened, amending the said regulations several times. More specifically, the legal provisions of Italian Law no. 124/17 were most recently revised by Italian Decree Law no. 34 of 30 April 2019, which set forth urgent economic growth measures to resolve specific crisis situations, converted with Italian Law no. 58 of 28 June 2019, which provided responses to important topics in order to simplify and rationalise the regulations under consideration. The ERG Group has therefore decided to state in the separate financial statements of the companies belonging to the Group the grants received from public administrations for use by all the companies and that come under the general scheme of the reference system defined by the State (e.g. feed-in premium, energy efficiency certificates, etc.) with the exception of those belonging to the following categories:

- *tax relief;*
- *training grants received from inter-professional funds (such as Fondimpresa), since such funds are a form of partnership governed by private law, financed with the contributions paid by the companies themselves.*

(EUR million)	Revenues 2025	of which incentive tariff	of which guarantees of origin	of which RES
Wind Italy	57	50	6	1
Solar Italy	95	94	1	-
Total	**152**	**144**	**7**	**1**

(EUR million)	Receipts 2025	of which incentive tariff	of which guarantees of origin	of which RES
Wind Italy	50	39	10	1
Solar Italy	69	68	1	-
Total	**119**	**107**	**11**	**1**

The reference amounts indicated in the tables above are also reported in the financial statements of the Group companies concerned.
In accordance with the provisions of Article 3-quater of Italian Law no. 12 of 11 February 2019, for any funds received, please refer to the indications

contained in the National Register of State Aid under Article 52 of Italian Law no. 234 of 24 December 2012. Lastly, it should be noted that with reference to the 2025 financial year, the companies ERG S.p.A. and ERG Power Generation S.p.A. benefited from contribution exemptions, provided for by Law no. 162/2021 and Decree Law no. 60/2024 for an amount of EUR 0.1 million.

Recommendations with regard to information to be provided in the financial reports and in the press releases of the listed companies operating in the field of renewable energies

In accordance with CONSOB Recommendation no. DIE/0061493 of 18 July 2013 with regard to information to be provided in the financial reports and in the press releases of the listed companies operating in the field of renewable energies, the related tables are presented below.

Reconciliation with the carrying amount of Property, Plant and Equipment in the Statement of Financial Position

(EUR thousand)	Carrying amount at 31 December 2025 (EUR thousand)
Plants in operation	3,136,356
Plants that are still non operational	37,525
Other property, plant and equipment	16,090
	3,189,971
of which Assets held for sale	71,497
Total Continuing operations	**3,118,474**

Information about the energy generation plants in operation at 31 December 2025

Company	Plant	Geographic location	% owned	Installed capacity (MW)	Carrying amount at 31 December 2025 (EUR thousand)
ERG Eolica San Vincenzo S.r.l.	Wind Farm	Italy	100%	72	6,494
ERG Eolica Faeto S.r.l.	Wind Farm	Italy	100%	24	4,834
ERG Eolica Ginestra S.r.l.	Wind Farm	Italy	100%	40	32,532
ERG Eolica Tirreno S.r.l.	Wind Farm	Italy	100%	47	69,283
Green Vicari S.r.l.	Wind Farm	Italy	100%	38	21,522
ERG Eolica Fossa del Lupo S.r.l.	Wind Farm	Italy	100%	154	95,311
ERG Eolica Adriatica S.r.l.	Wind Farm	Italy	100%	104	61,077
ERG Eolica Campania S.r.l.	Wind Farm	Italy	100%	112	30,541
ERG Wind Energy S.r.l.	Wind Farm	Italy	100%	706	444,260
Breva Wind S.r.l.	Wind Farm	Italy	100%	172	181,353
Wind Italy			**100%**	**1,468**	**947,207**
Parc Eolien du Carreau S.a.s.	Wind Farm	France	100%	9	7,322
Parc Eolien de la Bruyère S.a.s.	Wind Farm	France	100%	12	
Parc Eolien les Mardeaux S.a.s.	Wind Farm	France	100%	12	
Parc Eolien de Lihus S.a.s.	Wind Farm	France	100%	12	
Parc Eolien de Hetomesnil S.a.s.	Wind Farm	France	100%	12	
Eoliennes du Vent Solaire S.a.s.	Wind Farm	France	100%	9	
Ferme Eolienne de Teterchen S.a.s.	Wind Farm	France	100%	9	21,287
Parc Eolien du Bois de l'Arche S.a.s.	Wind Farm	France	100%	12	
Parc Eolien du Bois de Bigot S.a.s.	Wind Farm	France	100%	9	
Cepe de Montbeliard S.a.s.	Wind Farm	France	100%	10	
Cepe de Saint Florentin S.a.s.	Wind Farm	France	100%	12	
Cepe de Murat S.a.s.	Wind Farm	France	100%	12	
Parc Eolien de St Riquier 3 S.a.s.	Wind Farm	France	100%	16	70,156
Parc Eolien de St Riquier 4 S.a.s.	Wind Farm	France	100%	14	
Parc Eolien de la Chaude Vallee S.a.r.l.	Wind Farm	France	100%	12	
Parc Eolien de Morvillers S.a.r.l.	Wind Farm	France	100%	12	
Parc Eolien de Garcelles-Sacqueville S.a.s.	Wind Farm	France	100%	12	
Parc Eolien du Patis S.a.s.	Wind Farm	France	100%	8	
Parc Eolien Hauts Moulins S.a.r.l.	Wind Farm	France	100%	12	
Parc Eolien Moulins des Champs S.a.r.l.	Wind Farm	France	100%	12	
Parc Eolien de St Riquier 1 S.a.s.	Wind Farm	France	100%	12	
SAS Société d'Exploitation du Parc Eolien de la Souterraine	Wind Farm	France	100%	8	
Parc Eolien de Oyré Saint Sauveur S.a.s.	Wind Farm	France	100%	11	
Parcs Eoliens des Terres Blanches S.a.s.	Wind Farm	France	100%	16	3,925
WP France 6 S.a.s.	Wind Farm	France	100%	13	9,963
Parc Eolien du Melier S.a.r.l.	Wind Farm	France	100%	8	5,048
Parc Eolien de la vallèe de Torfou S.a.s.	Wind Farm	France	100%	18	15,615

Parc Eolien des Bouchats S.a.r.l.	Wind Farm	France	100%	20	22,445
Parc Eolien du Moulin du Bois S.a.r.l.	Wind Farm	France	100%	32	42,877
Parc Eolien de Saint Maurice la Clouere S.a.r.l.	Wind Farm	France	100%	9	15,513
Parc Eolien du Pays a Part S.a.r.l.	Wind Farm	France	100%	18	27,379
WP France 10 S.a.s.	Wind Farm	France	100%	7	6,780
PARCS EOLIENS DE FRUGES SARL	Wind Farm	France	100%	52	20,762
Ferme Eolienne De Saint Pierre De Maillé 1 S.a.s.	Wind Farm	France	100%	13	
Ferme Eolienne De Chery S.a.a.	Wind Farm	France	100%	14	23,328
Ferme Eolienne De Quesnoy-Sur-Airaines 2 S.a.s.	Wind Farm	France	100%	12	
Les Eoliennes De Saint Fraigne S.a.s.	Wind Farm	France	100%	12	
Saint Congard Energies S.a.s.	Wind Farm	France	100%	8	
Neuilly Saint Front Energies S.a.s.	Wind Farm	France	100%	10	62,190
Monnes Energies S.a.r.l.	Wind Farm	France	100%	6	
Reuilly et Diou Energies S.a.r.l.	Wind Farm	France	100%	22	
Ferme Eolienne de Moquepanier S.a.s.	Wind Farm	France	100%	16	
Ferme Eolienne de Clamecy S.a.s.	Wind Farm	France	100%	12	27,349
Wkn Pikardie Verte II S.a.s.	Wind Farm	France	100%	12	
C.E.P.E DU SOULEILLA S.a.r.l.	Wind Farm	France	100%	24	45,654
Wind France			**100%**	**609**	**427,595**
Globo Energy EOOD	Wind Farm	Bulgaria	100%	4	
K&S Energy EOOD	Wind Farm	Bulgaria	100%	2	
K&S Energy 1 EOOD	Wind Farm	Bulgaria	100%	4	
K&S Energy 2 EOOD	Wind Farm	Bulgaria	100%	4	
Mark 1 EOOD	Wind Farm	Bulgaria	100%	4	
Mark 2 EOOD	Wind Farm	Bulgaria	100%	4	
VG-1 EOOD	Wind Farm	Bulgaria	100%	2	
VG-2 EOOD	Wind Farm	Bulgaria	100%	4	17,357
VG-3 EOOD	Wind Farm	Bulgaria	100%	4	
VG-4 EOOD	Wind Farm	Bulgaria	100%	4	
VG-5 EOOD	Wind Farm	Bulgaria	100%	4	
VG-6 EOOD	Wind Farm	Bulgaria	100%	4	
Wind Park Kavarna East EOOD	Wind Farm	Bulgaria	100%	4	
Wind Park Kavarna West EOOD	Wind Farm	Bulgaria	100%	4	
WP Bulgaria 4 EOOD	Wind Farm	Bulgaria	100%	2	
Wind Bulgaria			**100%**	**54**	**17,357**
Corni Eolian SA	Wind Farm	Romania	100%	70	40,903
Wind Romania			**100%**	**70**	**35,084**
EW Orneta 2 sp z o.o.	Wind Farm	Poland	100%	42	31,563
ERG Wind Szydłowo sp. z o.o.	Wind Farm	Poland	100%	14	9,979
ERG Wind Słupia sp. z o.o.	Wind Farm	Poland	100%	26	17,892
Laszki Wind sp. z o.o	Wind Farm	Poland	100%	36	55,860
EW Piotrków Kujawski sp z o.o.	Wind Farm	Poland	100%	24	38,176
Wind Poland			**100%**	**142**	**153,471**
Furukraft AB	Wind Farm	Sweden	100%	62	71,497
Wind Sweden			**100%**	**62**	**71,497**
Voltwerk Windpark Worbzig Gmbh & Co. KG	Wind Farm	Germany	100%	10	
Voltwerk Windpark Beesenstedt Gmbh & Co. KG	Wind Farm	Germany	100%	10	
Windpark Cottbuser Halde Gmbh & Co. KG	Wind Farm	Germany	100%	28	30,656
Windpark Achmer Vinte GmbH & Co. KG RENDITEFONDS	Wind Farm	Germany	100%	21	
ERG Wind 117 GmbH & Co. KG	Wind Farm	Germany	100%	10	
ERG Wind Weselberg GmbH & Co. KG	Wind Farm	Germany	100%	48	16,282
Windpark Linda GmbH & Co. KG	Wind Farm	Germany	100%	22	23,700
UGE Barkow GmbH & und Co. KG UMWELTGE-RECHTE ENERGIE	Wind Farm	Germany	100%	33	38,243
ERG Wind Hollige GmbH & Co. KG	Wind Farm	Germany	100%	10	
ERG Wind Ebersgrun GmbH & Co. KG	Wind Farm	Germany	100%	8	
ERG Wind Erbes Büdesheim GmbH & Co. KG	Wind Farm	Germany	100%	28	45,703
ERG Wind Norath GmbH & Co. KG	Wind Farm	Germany	100%	9	
ERG Windpark Reinsdorf GmbH & Co. KG	Wind Farm	Germany	100%	6	10,341
ERG Wind MEG 1 LLP	Wind Farm	Germany	100%	23	6,241
ERG Wind MEG 2 LLP	Wind Farm	Germany	100%	20	5,455
ERG Wind MEG 3 LLP	Wind Farm	Germany	100%	24	4,685
ERG Wind MEG 4 LLP	Wind Farm	Germany	100%	20	1,879

Wind Germany			**100%**	**329**	**183,184**
Creag Riabhach Wind Farm Ltd	Wind Farm	UK	100%	92	104,747
Craiggore Energy Limited	Wind Farm	UK	100%	24	35,222
Sandy Knowe Wind Farm LTD	Wind Farm	UK	100%	86	122,205
Evishagaran Windfarm LTD	Wind Farm	UK	100%	47	57,640
Corlacky Energy LTD	Wind Farm	UK	100%	47	89,504
Broken Cross Wind Farm	Wind Farm	UK	100%	43	68,531
WInd UK			**100%**	**340**	**477,848**
Great Pathfinder Wind, LLC	Wind Farm	USA	75%	224	310,134
WInd USA			**75%**	**224**	**310,134**
WInd				**3,298**	**2,623,378**
Calabria Solar S.r.l.	Photovoltaic system	Italy	100%	68	68,188
ERG Solar Piemonte 3 S.r.l.	Photovoltaic system	Italy	100%	21	31,624
ISAB Energy Solare S.r.l.	Photovoltaic system	Italy	100%	1	1,045
Andromeda PV S.r.l.	Photovoltaic system	Italy	100%	52	15,744
Ginestra S.r.l.	Photovoltaic system	Italy	100%	39	27,322
Solar Italy			**100%**	**180**	**143,923**
Sainte Helene Energies S.a.r.l.	Photovoltaic system	France	100%	12	16,210
ERG Solar Colombelles S.a.r.l.	Photovoltaic system	France	100%	10	
Solaires Sisteron S.a.s.	Photovoltaic system	France	100%	5	
Solaire Sénezergues S.a.s.	Photovoltaic system	France	100%	5	
Solaire Arpajon-sur-Cere S.a.s.	Photovoltaic system	France	100%	8	
Arsac 1 S.a.s.	Photovoltaic system	France	100%	8	31,191
Arsac 3 S.a.s.	Photovoltaic system	France	100%	12	
Solaire Greoux S.a.s.	Photovoltaic system	France	100%	11	
Solaire Salaunes S.a.s.	Photovoltaic system	France	100%	7	
Chaume-Solar S.a.r.l.	Photovoltaic system	France	100%	29	
C.P.E.S MAS D'EN RAMIS S.a.s.	Photovoltaic system	France	60%	11	29,328
C.P.E.S LA BREDE S.a.s.	Photovoltaic system	France	57%	10	
Solar France			**93%**	**128**	**76,729**
ERG Solar Almansa S.L.U.	Photovoltaic system	Spain	100%	50	39,789
ERG Solar Tabernas S.L.U.	Photovoltaic system	Spain	100%	42	29,004
ERG Solar Fregenal de la Sierra S.L.U.	Photovoltaic system	Spain	100%	25	19,927
Garnacha Solar S.L.U.	Photovoltaic system	Spain	100%	149	120,001
Solar Spain			**100%**	**266**	**208,721**
Mulligan Solar, LLC	Photovoltaic system	USA	75%	92	83,605
Solae USA			**75%**	**92**	**83,605**
Solar				**666**	**512,978**
TOTAL				**3,964**	**3,136,356**

Company	Plant	Associated financial debt: Carrying amount of financial liability	Technical form	Disbursement/ Maturity		Hedge
Windpark Linda GmbH & Co. KG	Wind Farm	15,355	Project financing	2018	2038	Fixed rate loan
Wind Germany (without MEG)		**15,355**				
Wind		**15,355**				
Andromeda PV S.r.l.	Photovoltaic system	49,076	Project Financing	2010	2028	Fixed rate loan
Solar Italy		**49,076**				
Solar		**49,076**				
TOTAL		**64,431**				

Information about the energy generation plants not yet in operation at 31 December 2025

Name of plant/ Groups of plants	Geographic	Owner company	% owned	Maximum installed capacity expected (MW)	Progress of the project	Carrying amount at 31 December 2025 (EUR thousand)
Aukrug	Germany	ERG Windpark Aukrug Gmbh & Co. KG	100%	22	Authorised and under construction	12,314
Heyen	Germany	ERG WINDPARK HEYEN GMBH & Co. KG	100%	6	Authorised and under construction	1,695
Jeggeleben	Germany	ERG WINDPARK JEGGELEBEN GMBH & Co. KG	100%	24	Authorised and under construction	9,702
Brunsbuttel	Germany	ERG Wind Brunsbüttel GmbH & Co. KG	100%	10	Authorised and under construction	2,115
Montbeliard	France	Cepe de Montbeliard S.a.s.	100%	23	Authorised and under construction	11,699
Eolico				**85**		**37,525**
Impianti non ancora operativi				**85**		**37,525**

With regard to the commitments and guarantees provided to the lenders of the plants per the above tables, please refer to the details provided in **Note 39 – Disclosure on financial risks**.

NOTE 53 - AUDIT FEES

Based on Article 149-duodecies of the Issuers' Regulation, the 2025 fees relating to the services performed by the independent auditors KPMG S.p.A., the main auditor of the ERG Group, and by the companies belonging to its related network, are shown below.
The preparation of the table is in line with the "Procedure for audit engagements in the companies of the ERG Group and monitoring of additional services".
Audit services comprise the complete audit of the separate and consolidated financial statements and the audit of the reporting package of the parent for the purposes of the preparation of the Consolidated Financial Statements of the ultimate parent and the review of the Condensed Interim Consolidated Financial Statements.
Non-audit services refer mainly to:

1. Parent:
   - check of the compliance of the separate/unbundled annual accounts for EUR 18 thousand;
   - agreed-upon procedures on the quarterly data of the subsidiaries for EUR 106 thousand;
   - checks and signing of tax returns for EUR 4 thousand;
   - assurance of the consolidated sustainability report for EUR 90 thousand;
   - assurance of the Green Bond Report for EUR 11 thousand.
2. Subsidiaries:
   - check of the compliance of the separate/unbundled annual accounts for EUR 31 thousand;
   - checks and signing of tax returns for EUR 17 thousand;
   - agreed upon procedures on bank covenants for EUR 6 thousand.

Type of service	Party that performed the service	Recipient	2025 remuneration
(thousands of Euro)			
Statutory audit	Auditor of the parent	parent	347
	Auditor of the parent	subsidiaries	849
	Network of the parent's auditor	subsidiaries	282
Total audit services			**1,478**
Non-audit services	Auditor of the parent	parent	228
	Auditor of the parent	subsidiaries	54
Total non-audit services			**282**
Total			**1,760**

Fees were also paid for statutory audit services by auditors other than the network of the parent company's auditor for EUR 151 thousand

NOTE 54 - SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Geographical re-focus for the ERG Group

On 20 January 2026, in line with the guidelines of the Business Plan, which provide for a geographical repositioning, ERG announced the signing and simultaneous closing of two significant transactions in Sweden and the United Kingdom.
The first part of the geographical refocusing concerns the disposal of assets in Sweden, as already described in the document in application of IFRS 5, for which reference is made to section **VII. Operating assets held for sale**.
At the same time, with no impact on the 2025 Integrated Consolidated Financial Statements, ERG, through its subsidiary ERG UK Holding Ltd, acquired from OnPath Energy Midco Limited, a subsidiary of OnPath Energy, a long-established renewable energy developer active in the United Kingdom, 100% of a group of UK companies owning seven operational onshore wind farms in Northern England, with a total installed capacity of 73 MW.
The acquired wind farms, all supported by Renewable Obligation Certificates (ROCs) with an average residual duration of nine years, commenced operations between 2011 and 2017 and will contribute to the Group's results starting from 2026. In 2024, the portfolio recorded production of 174 GWh and EBITDA of approximately GBP 18 million (approximately EUR 21 million). The wind farms are located across several counties in Northern England and have an estimated annual production of approximately 173.3 GWh, with equivalent operating hours of 2,387, corresponding to approximately 65 kt of CO_2 emissions avoided each year, equal to the energy needs of around 40,000 households. The enterprise value of the transaction amounts to approximately GBP 97 million. The effects of the acquisition will be accounted for in 2026.

Disbursement of unsecured senior green loans for a total of EUR 418 million

On 30 January 2026, the European Investment Bank (EIB) disbursed EUR 243 million to ERG S.p.A. on the unsecured senior green loan agreement signed in December 2024 to support the development of plants from renewable sources in Italy, France and Germany.
On the same date, ERG S.p.A. subscribed and used a new unsecured senior green loan for an amount of EUR 75 million, maturing in 2030 and with the possibility of extension to 2032.
On 6 February 2026, ERG S.p.A. took out and used a new unsecured senior green loan for an amount of EUR 100 million, maturing in 2031.
The subscription and disbursement of the aforementioned loans resulted in longer maturities and improved contractual margins compared to those existing on senior unsecured loans outstanding at 31 December 2025, due to mature between 2028 and 2029, which have been fully repaid.
These events are classified as non-adjusting pursuant to IAS 10 with regard to the financial position at 31 December 2025 and are essentially neutral on the Group's gross financial debt. For the purposes of classification pursuant to IAS 1.76 (d), no adjustments to the amounts presented are necessary.

Italian Decree Law no. 21 of 20 February 2026 [so-called Energy/Bills Decree Law]

On 20 February 2026, Italian Decree Law no. 21 "Urgent measures to reduce the cost of electricity and gas for households and businesses, to boost the competitiveness of businesses and to decarbonise industry, as well as urgent provisions on resolving the virtual saturation of electricity grids and integrating data processing centres into the electricity system" was published in the Official Journal. The Decree Law, presented as a measure aimed at supporting households and businesses in reducing energy costs, introduces provisions that will have significant effects on the energy sector and on market operators.
The decree provides for an increase in IRAP for the energy sector: from the tax period following 31 December 2025, for the 2026 and 2027 tax periods, the rate is increased by two percentage points, covering activities relating to the generation, transmission and distribution of electricity. Based on the analyses carried out, the impact on the statement of financial position at 31 December 2025 would have had to recognize if the measure had already been known by the reporting date has been assessed modest in amount.

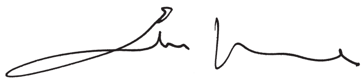
There are no other significant events to report that may have an impact on the statement of financial position at 31 December 2025.

NOTE 55 - PUBLICATION DATE OF THE CONSOLIDATED FINANCIAL STATEMENTS

On 11 March 2026, the Board of Directors of ERG S.p.A. authorised the publication of the Financial Statements together with the reports of the Supervisory Bodies in compliance with the deadlines prescribed by current laws and regulations.

Genoa, 11 March 2026

on behalf of the Board of Directors
The Chairman



Edoardo Garrone

STATEMENT ON THE CONSOLIDATED FINANCIAL STATEMENTS, PURSUANT TO ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 DATED 14 MAY 1999, AS AMENDED

1. The undersigned Paolo Luigi Merli, Chief Executive Officer of ERG S.p.A., and Michele Pedemonte, Manager responsible for preparing the financial reports of ERG S.p.A., taking into account the provisions set out in Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998, state that the administrative and accounting procedures for the preparation of the Consolidated Financial Statements:
   - were adequate given the ERG Group's characteristics and
   - were effectively applied in the period between 1 January 2025 and 31 December 2025.

2. In this regard, the following is pointed out:
   - the suitability of the administrative and accounting procedures for the preparation of the Consolidated Financial Statements of the ERG Group at 31 December 2025 was verified by the assessment of the system of internal control over Financial Reporting. This assessment was carried out with reference to the criteria established in the "Internal Control – Integrated Framework" model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
   - the assessment of the System of Internal Control over Financial Reporting did not uncover any significant aspects.

3. It is furthermore stated that:
   - the Consolidated Financial Statements of the ERG Group:
     - were prepared in accordance with the applicable International Accounting Standards recognised in the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, dated 19 July 2002;
     - match the underlying accounting books and records;
     - are suitable to give a true and fair view of the financial position and results of operations of the issuer and of the group of companies included in its consolidation scope;
   - the Directors' Report comprises a reliable analysis of the performance and of the result of operations, as well as of the situation of the issuer and of the group of companies included in the consolidation scope, together with a description of the main risks and uncertainties to which they are exposed

Genoa, 11 March 2026

The Chief Executive Officer

Paolo Luigi Merli

The Manager responsible
for preparing the company's
financial reports

Michele Pedemonte

INDEPENDENT AUDITORS' REPORT

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Revisione e organizzazione contabile
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(The accompanying translated consolidated financial statements of the ERG Group constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
ERG S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the ERG Group (the "group"), which comprise the statement of financial position as at 31 December 2025, the income statement and statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the ERG Group as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing 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 "*Auditors' responsibilities for the audit of the consolidated financial statements*" section of our report. We are independent of ERG S.p.A. (the "parent") in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. 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 judgement, were of most significance in the audit of the consolidated financial statements of the current year. These matters were addressed in the

KPMG

ERG Group
Independent auditors' report
31 December 2025

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.

Recoverability of goodwill, authorisations and concessions, property, plant and equipment and right-of-use assets

Notes to the consolidated financial statements: Use of estimates - Risks and uncertainties and Note 22 - Impairment testing

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2025 include goodwill of €442 million, authorisations and concessions of €948 million, property, plant and equipment of €2,901 million and right-of-use assets of €205 million. Goodwill is allocated to the various groups of cash-generating units ("CGUs") in line with the group's organisational and operating structure, i.e., according to the country/technology matrix. Under the procedure approved by the parent's board of directors on 25 February 2026, the recoverable amount of authorisations and concessions, property, plant and equipment and right-of-use assets is estimated whenever there is an indicator of impairment (a triggering event). Moreover, based on the above procedure, group management tests goodwill for impairment annually and, in any case, whenever there are triggering events, by comparing the carrying amounts of the groups of CGUs, including goodwill, to the related recoverable amounts. The recoverable amount is estimated based on value in use or, if value in use is lower than the carrying amount, at fair value. Value in use is calculated using the discounted cash flow model by discounting the groups of CGUs' expected cash flows. The fair value of two groups of CGUs (Spain and France Solar) is calculated using the dividend discount model. Future cash flows are estimated on the basis of the following: • the forecasts set out in the update to the business plan that the parent's directors examined on 11 March 2026 (hereinafter the "Business Plan"); • for the years subsequent to the plan period, the projections prepared on the basis of macroeconomic and energy scenario simulations, assuming a steady production trend. As a result of the impairment tests, the recoverable amount of the group of CGUs in Spain was found to be lower than the carrying amount of the related net invested capital at 31 December 2025. Consequently,	Our audit procedures, which also involved our own specialists, included: • updating our understanding of the process adopted to prepare the impairment test and the forecasts set out in the Business Plan and assessing the design and implementation of relevant controls; • checking any discrepancies between the previous year forecast and actual figures, in order to check the accuracy of the estimation process; • analysing the reasonableness of the key assumptions used by group management to determine the operating cash flows and related discount rates; • assessing the appropriateness of group management's methods for estimating the fair value of the Spain and France Solar groups of CGUs; • obtaining group management's analysis supporting the determination of the level 3 fair value measurements of the above groups of CGUs and testing the accuracy of the results of applying the estimates; • checking the sensitivity analysis prepared by group management in relation to the key assumptions used for impairment testing; • assessing the appropriateness of the disclosures provided in the notes about impairment testing.

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Key audit matter	Audit procedures addressing the key audit matter
management recognised an impairment loss of €9 million on the goodwill allocated to the above group of CGUs, reducing its carrying amount to nil, and recognised impairment losses totalling €50 million on intangible assets with a finite useful life and right-of-use assets. Impairment testing is complex and entails a high level of judgement, especially in relation to: • the expected cash flows, calculated by taking into account the general economic performance and that of the group's sector, the actual cash flows for past years and the projected growth rates. In this context, the key assumptions are those about the expected energy prices, the availability of renewable resources and the evolution of the regulatory framework; • the financial parameters used to calculate the discount rate. For the above reasons and due to the materiality of the relevant captions, we believe that the recoverability of the carrying amount of goodwill, authorisations and concessions, property plant and equipment and right-of-use assets is a key audit matter.	

Measurement of the provision for disposed business and other current and non-current provisions

Notes to the consolidated financial statements: Use of estimates - Risks and uncertainties, Note 26 - Provision for disposed businesses and Note 27 - Other provisions

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2025 include the provision for disposed businesses and other current and non-current provisions of €82.3 million, €29.9 million and €29.2 million, respectively. With the support of the relevant internal departments and their legal and tax advisors, the directors estimated the provision for disposed businesses, which chiefly relates to the estimated environmental, legal and tax liabilities relating to the "Oil" coastal refining and integrated downstream businesses, whose disposal was completed on 10 January 2018 with the sale of the investment in TotalErg S.p.A.. Again with the support of the relevant internal departments and their legal and tax advisors, the directors also estimated the other current and non-current provisions, which mainly relate to the estimated liabilities on existing and potential disputes in relation to local taxes and of the liabilities on legal disputes with institutional counterparties. Measuring these provisions is a complex activity, with a high degree of subjectivity, and entails directors'	Our audit procedures, which also involved our own tax specialists, included: • updating our understanding of the process for the measurement of the effect of legal disputes and assessing the design and implementation of controls and procedures; • analysing the discrepancies between past years' estimates of the effect of legal disputes and actual figures resulting from their subsequent settlement, in order to check the accuracy of the estimation process; • sending written requests for information to the advisors assisting the group and to the internal legal department about the assessment of the risk of losing pending disputes and the quantification of the related liability; • for the main disputes subject to estimate, updating the analysis of the assumptions used to determine

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Key audit matter	Audit procedures addressing the key audit matter
estimates about the outcome of the disputes and litigation of a civil, administrative and tax nature, in some cases dating back in time, the risk of losing, the timing for their settlement and the related effects on the consolidated financial statements. For the above reasons, we believe that the measurement of the provision for disposed businesses and other current and non-current provisions is a key audit matter.	their effect through discussions with the relevant internal departments and analysis of the supporting documentation; • for the main disputes subject to estimate, discussing assumptions or scenarios alternative to those used to calculate the effect of legal disputes and the reasons for their rejection with the relevant internal departments; • analysing the events after the reporting date that provide information useful for an assessment of the provisions; • assessing the appropriateness of the disclosures provided in the notes about the provision for disposed businesses and other current and non-current provisions.

Responsibilities of the parent's directors and board of statutory auditors ("Collegio Sindacale") 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 the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian 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 group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the parent or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the group's financial reporting process.

Auditors' 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 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 these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of

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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;

- obtain 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate 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;
- obtain 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.

We communicate with those charged with governance, identified at the appropriate level 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 identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 23 April 2018, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2018 to 31 December 2026.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the parent in conducting the statutory audit.

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KPMG

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We confirm that the opinion on the consolidated financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the consolidated financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the consolidated financial statements at 31 December 2025 have been prepared in XHTML format and have been marked up, in all material respects, in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Due to certain technical limitations, some information included in the notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The parent's directors are responsible for the preparation of the group's directors' report and report on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the consolidated financial statements;
- express an opinion on the compliance of the directors' report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the group's consolidated financial statements at 31 December 2025.

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Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the section of the directors' report which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Genoa, 25 March 2026

KPMG S.p.A.

(signed on the original)

Andrea Carlucci
Director of Audit

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Separate Financial Statements

STATEMENT OF FINANCIAL POSITION[(1)]

(EUR)	Notes	31/12/2025	of which with related parties	31/12/2024	of which with related parties
Intangible assets	1	2,848,593		2,523,477	
Property, plant and equipment	2	6,691,717		6,639,842	
Right-of-use assets	3	1,370,040		1,771,418	
Equity investments	4	2,634,545,632		2,634,132,283	
Non-current financial assets measured at fair value	16	9,116,723		12,251,162	
Deferred tax assets	5	8,440,544		8,367,277	
Other non-current assets	6	14,045,771		6,428,475	
Non-current assets		**2,677,059,019**		**2,672,113,934**	
Trade receivables	7	47,366,185	47,366,185	6,899,843	6,826,245
Other current assets	8	14,218,320	56,350	22,250,754	70,523
Current tax assets	9	21,348,341	21,348,341	24,226,096	23,388,346
Current financial assets measured at fair value	16	5,066,575	-	7,380,836	-
Other current financial assets	16	66,780,781	1,119,832	449,794,839	1,138,597
Cash and cash equivalents	16	369,964,476		515,252,395	
Current assets		**524,744,678**		**1,025,804,763**	
TOTAL ASSETS		**3,201,803,697**		**3,697,918,697**	
Share capital	10	15,032,000		15,032,000	
Other reserves	10	586,063,776		718,404,084	
Retained earnings	10	-		-	
Profit for the year	10	28,349,748		27,469,297	
Equity		**629,445,524**		**760,905,381**	
Employee benefits	11	805,481		1,112,561	
Deferred tax liabilities	5	5,851,022		8,073,016	
Provision for disposed businesses	12	80,565,777		79,861,307	
Other non-current provisions	13	374,418		511,758	
Other non-current financial liabilities	16	2,088,984,886		2,011,713,207	
Non-current lease liabilities	16	741,915		1,105,442	
Non-current liabilities		**2,177,323,498**		**2,102,377,291**	
Other current provisions	13	310,241		358,754	
Trade payables	15	8,469,055	25,620	9,839,378	275,836
Other current financial liabilities	16	364,826,934	125,953,112	800,368,968	98,316,150
Current lease liabilities	16	656,782		690,653	
Other current liabilities	17	11,675,591	1,489,164	11,085,976	1,489,164
Current tax liabilities	18	9,096,072	6,517,474	12,292,297	12,292,297
Current liabilities		**395,034,675**		**834,636,025**	
TOTAL EQUITY AND LIABILITIES		**3,201,803,697**		**3,697,918,697**	

(1) The notes commenting on individual items are an integral part of these separate financial statements

INCOME STATEMENT[1]

(EUR)	Notes	2025	*of which with related parties*	2024	*of which with related parties*
Revenue	20	39,568,873	*39,568,873*	38,652,271	*37,220,929*
Other income	21	3,754,087	*595,560*	6,218,809	*4,827,838*
Purchases	22	(185,885)		(240,213)	
Services and other costs	23	(33,270,727)	*(6,837,000)*	(35,403,627)	*(7,024,379)*
Personnel expense	24	(27,774,750)	*(2,943,474)*	(26,670,554)	*(2,943,474)*
GROSS OPERATING PROFIT (LOSS)		**(17,908,402)**		**(17,443,314)**	
Amortisation of Intangible assets	25	(1,673,474)		(1,847,633)	
Depreciation of property, plant and equipment and right-of-use assets	25	(1,493,123)		(1,459,840)	
OPERATING PROFIT (LOSS)		**(21,075,000)**		**(20,750,787)**	
Financial income		33,557,270	*74,310*	45,449,435	*63,202*
Financial expense		(60,935,790)	*(934,307)*	(61,770,710)	*(3,284,340)*
NET FINANCIAL INCOME (EXPENSE)	26	**(27,378,520)**		**(16,321,275)**	
Net gains (losses) on equity investments		69,882,140		59,403,145	
NET GAINS (LOSSES) ON EQUITY INVESTMENTS	27	**69,882,140**		**59,403,145**	
PROFIT (LOSS) BEFORE TAXES		**21,428,620**		**22,331,083**	
Income taxes	28	6,921,128		5,138,214	
PROFIT (LOSS) FOR THE YEAR		**28,349,748**		**27,469,297**	

(1) The notes commenting on individual items are an integral part of these separate financial statements

STATEMENT OF COMPREHENSIVE INCOME[1]

(EUR)	Notes	2025	2024
PROFIT (LOSS) FOR THE YEAR		**28,349,748**	**27,469,297**
Changes that will not be reclassified to profit or loss			
Actuarial losses	11	17,756	33,232
Related tax	11	(4,262)	(7,976)
Total		**13,495**	**25,256**
Changes that will be reclassified to profit or loss			
Cash flow hedges – effective portion of the fair value change	10	(9,276,068)	(5,274,084)
Related tax	10	2,226,256	1,265,780
Total		**(7,049,812)**	**(4,008,304)**
Other comprehensive expense net of the tax effect		**(7,036,317)**	**(3,983,048)**
Comprehensive income for the year		**21,313,431**	**23,486,249**

(1) The notes commenting on individual items are an integral part of these separate financial statements

STATEMENT OF CASH FLOWS[1]

(EUR)	Notes	31/12/2025	of which with related parties	31/12/2024	of which with related parties
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (A):					
Profit (loss) for the year		28,349,748		27,469,297	
Adjustments for:					
- Income taxes		(6,921,128)		(5,138,214)	
- Amortisation, depreciation and impairment losses of non-current assets	25	3,166,597		3,307,473	
- Accruals to provisions	12 13	1,842,460		4,604,808	
- Capital gains/losses from realisation of non-current assets		(1,214)	(1,214)	(4,056,225)	(4,056,225)
- Dividend income		(70,000,000)	(70,000,000)	(60,039,953)	(60,039,953)
- Interest income		(27,082,581)	(50,154)	(40,151,391)	(63,195)
- Interest expense		56,404,295	934,307	56,459,491	3,284,340
- Changes in stock option plan and allocation of treasury shares to employees		4,371,378	4,366,668	4,366,668	4,366,668
- Changes in fair value of hedging derivatives (ineffective portion)		(6,800,602)		(8,962,464)	
- Changes to post-employment benefits	11	(293,585)		(455,368)	
Other non-monetary changes		4,687,383		2,657,416	
		(12,277,249)		**(19,938,463)**	
Change in other current assets and liabilities:					
- Change in trade receivables	7	(40,466,342)	(40,539,940)	(3,438,798)	(4,694,931)
- Change in trade payables	15	(1,370,323)	(250,216)	(2,687,459)	251,436
- Net change in other assets/liabilities	6,8,14,17	1,004,754	20,442	4,582,604	127,175
Dividends received		70,000,000	70,000,000	60,039,953	60,039,953
Use of provisions		(1,205,500)		(1,064,791)	
Taxes collected from national tax consolidation scheme		6,529,391		4,869,811	
		34,491,980		**62,301,320**	
CASH FLOWS FROM OPERATING ACTIVITIES (A)		**22,214,731**		**42,362,857**	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B):					
Acquisition of intangible assets	1	(1,998,590)		(1,865,410)	
Acquisition of property, plant and equipment	2	(737,860)		(464,968)	
Acquisition of equity investments	4				
Disposals of property, plant and equipment	2	34,098		5,325,287	5,325,287
Price adjustment from disposal of equity investment		-		-	
Capital injection ERG Power Generation	4	-	-	-	-
Investment in securities	16	(60,000,000)		(435,000,000)	
Securities collection		435,000,000		261,534,600	
Change in loans to subsidiaries			-		-
Repayment of loans from subsidiaries		-	-	-	-
Interest collected		35,265,579		30,337,891	
Other changes in current financial assets		-		-	
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B):		**407,563,227**		**(140,132,599)**	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (C):					
New loans	16	75,000,000		90,000,000	
Green Bond Issue	16			500,000,000	
Repayment of loans	16	(500,000,000)			
Changes in other current financial liabilities	16	74,986,935	27,636,962	(151,862,655)	(196,513,744)
Interest paid		(66,160,427)	(2,357,850)	(45,185,481)	(1,341,089)
Fees on revolving		(909,250)		(1,254,167)	
Decrease in lease liabilities	16	(838,469)		(771,665)	
Dividends paid		(145,354,761)	(94,000,000)	(146,488,526)	(94,000,000)
Share buy-back	10	(11,789,905)		(47,312,675)	
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (C):		**(575,065,877)**		**197,124,832**	
NET CASH FLOWS FOR THE YEAR (A+B+C)		**(145,287,919)**		**99,355,090**	
OPENING CASH AND CASH EQUIVALENTS	16	**515,252,395**		**415,897,305**	
NET CASH FLOWS FOR THE YEAR		(145,287,919)		99,355,090	
CLOSING CASH AND CASH EQUIVALENTS	16	**369,964,476**		**515,252,395**	
RECLASSIFICATION OF ASSETS/LIABILITIES HELD FOR SALE					
CLOSING CASH AND CASH EQUIVALENTS	16	**369,964,476**		**515,252,395**	

(1) The notes commenting on individual items are an integral part of these separate financial statements.

STATEMENT OF CHANGES IN EQUITY[1]

(EUR)	Notes	Share capital	Hedging reserve	Actuarial reserve	Treasury shares in portfolio	Reserves	Profit (loss) for the year	Total Equity
BALANCE AT 31/12/2023		15,032,000	29,481,181	(226,977)	(66,739,761)	921,542,506	27,764,716	926,853,665
Allocation of 2023 profit		-				27,764,716	(27,764,716)	-
Share-based payments with equity-linked instruments	10					4,366,668		4,366,668
Share buy-back	10				(47,312,675)			(47,312,675)
Assignment of treasury shares	10				16,113,850	(16,113,850)		-
Distribution of dividends	10	-				(146,488,526)	-	(146,488,526)
Other changes								-
Profit (loss) for the year 2024	10	-				-	27,469,297	**27,469,297**
Change in comprehensive expense	10	-	(4,008,304)	25,256		-	-	**(3,983,048)**
Comprehensive income		-	(4,008,304)	25,256		-	27,469,297	23,486,249
BALANCE AT 31/12/2024		15,032,000	25,472,877	(201,721)	(97,938,585)	791,071,514	27,469,297	760,905,381

(1) The notes commenting on individual items are an integral part of these separate financial statements.

(EUR)	Notes	Share capital	Reserve for other comprehensive income: Hedging reserve	Reserve for other comprehensive income: Actuarial reserve	Treasury shares in portfolio	Reserves	Profit (loss) for the year	Total Equity
BALANCE AT 31/12/2024		15,032,000	25,472,877	(201,721)	(97,938,585)	791,071,514	27,469,297	760,905,381
Allocation of 2024 profit		-				27,469,297	(27,469,297)	-
Share-based payments with equity-linked instruments	10					4,371,378		-
Share buy-back	10				(11,789,905)			(11,789,905)
Assignment of treasury shares	10							-
Distribution of dividends	10	-				(145,354,761)	-	(145,354,761)
Other changes								-
Profit (loss) for the year 2025	10	-				-	28,349,748	28,349,748
Change in comprehensive expense	10	-	(7,049,812)	13,495		-	-	(2,664,939)
Comprehensive income		-	(7,049,812)	13,495		-	28,349,748	25,684,809
BALANCE AT 31/12/2025		15,032,000	18,423,065	(188,226)	(109,728,490)	677,557,427	28,349,748	629,445,524

(1) The notes commenting on individual items are an integral part of these separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

INTRODUCTION

ERG S.p.A. is the entity that prepares the separate financial statements and has its registered office in via De Marini 1 (WTC Tower), Genoa, Italy. ERG S.p.A., a company listed on the Stock Exchange since 1997, operates, also through its investees, as a major independent operator in the generation of electricity from renewable sources, wind and solar in Italy, France, Germany, Spain, the United Kingdom, Poland, Romania, Bulgaria, Sweden[1] and the United States of America.

On 11 March 2026, the Board of Directors of ERG S.p.A. authorised the publication of the financial statements together with the reports of the Supervisory Bodies in compliance with the deadlines prescribed by current laws and regulations.

ERG S.p.A. provides strategic guidance to the Group, is directly responsible for business development processes and ensures the management of all business support processes.

The Shareholders' Meeting, called to approve the Separate Financial Statements, may make observations and request the directors to make changes to the draft financial statements.

BASIS OF PREPARATION

These Separate Financial Statements, expressed in Euro (functional currency of the parent ERG S.p.A. and reporting currency), were prepared:

- in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and endorsed by the European Union ("EU-IFRS") as well as in compliance with the provisions issued in implementation of Article 9 of Italian Legislative Decree no. 38 of 28 February 2005;
- on a going concern basis and therefore assuming that the Company will be able to meet the mandatory repayment conditions of the credit facilities granted by the banks and the bond issues as indicated in **Note 31 – Financial instruments**.

The Separate Financial Statements at 31 December 2025 were audited by the independent auditors KPMG S.p.A. in accordance with the statutory audit engagement for the years from 2018 to 2026, conferred upon it pursuant to Italian Legislative Decree no. 39/2010 by the Shareholders in their meeting of 23 April 2018.

The amounts shown in the accompanying notes to the separate financial statements, unless otherwise specified, are expressed in thousands of Euro.

The accounting standards and measurement criteria are presented in each note to which they refer.
The changes in the application of the accounting standards, where relevant, are described in the following paragraphs.

BASIS OF PRESENTATION

These Separate Financial Statements consist of:

- the **primary financial statements**, with the following characteristics:
  - the ***Statement of Financial Position*** shows the assets and liabilities according to their maturity, separating current and non-current items. Current assets are those held to be realised, sold or consumed in the normal operating cycle of the Company or in the 12 months after year end; current liabilities are those expected to be extinguished within the normal operating cycle of the Company or in the 12 months after year end. Assets classified as held for sale and liabilities included in a disposal group classified as held for sale are clearly distinguished;
  - the ***Income Statement*** includes an analysis of items by nature, which is deemed more representative than presenting them by function, with separate presentation of the profit or loss from discontinued operations. The form chosen is in fact consistent with internal reporting and management procedures;
  - the ***Statement of Comprehensive Income*** shows the revenue and cost components (including reclassification adjustments) that are not recognised in profit (loss) for the year in application of the EU-IFRS standards;
  - the structure of the ***Statement of Cash Flows*** is based on the indirect method, with the indication of the cash flows from operating, investing and financing activities;
  - the ***Statement of Changes in Equity***, with separate disclosure of the profit or loss for the year and any revenue, income, cost and expense not transferred to the income statement, but charged directly to consolidated equity on the basis of the EU-IFRS standards;
- the **Notes**.

1 Business in the process of being sold.

USE OF ESTIMATES – RISKS AND UNCERTAINTIES

Preparation of financial statements and notes pursuant to the EU-IFRS requires ERG S.p.A. directors to make estimates and assumptions that affect the carrying amounts of the assets and liabilities recognised in the financial statements and disclosures relating to contingent assets and liabilities. Available information and subjective evaluations were used to obtain these estimates.

By their very nature, estimates and assumptions used may vary from year to year, and it therefore cannot be excluded that in subsequent years the current carrying amounts may differ as a result of the change in the subjective assessments used.

The main estimates requiring the use of subjective valuations, aside from those pertaining to fair value measurements as outlined in the specific paragraph, were used, among other things, for:

- impairment testing on the equity investment in ERG Power Generation S.p.A., with particular reference to the process of identifying and monitoring trigger events and the main assumptions for determining the recoverable amount, including the identification of macroeconomic variables such as inflation and discount rates, also considering the current climate of geopolitical uncertainty and the energy scenario;
- the measurement of provisions and contingent liabilities related to civil, administrative and tax disputes; in particular, the valuation processes are based on complex elements that by their nature imply reliance on the Directors' judgement, also taking into account the elements acquired by external consultants, and involve both determining the degree of likelihood of the occurrence of conditions that may entail a cash outlay and hence classification among liabilities or among contingent liabilities, and quantifying the related amount (**Note 12 – Provision for Disposed Businesses**, **Note 13 – Other provisions**). In particular, with reference to the Provision for Disposed Businesses the most complex elements are connected with the measurement process and procedures related to the risks tied mainly to events dating back in time and pertaining to environmental, legal and tax matters tied to the divested "Oil" Coastal Refining and of integrated Downstream businesses;
- loss allowances and impairment of assets (**Note 7 – Trade receivables**);
- deferred tax assets, recognised on the basis of the Group's future taxability of profits as forecast by business plans as well as of the expected settlement and renewal of tax consolidation schemes (**Note 5 – Deferred taxation**).

Fair value measurements

Some standards and disclosure obligations require the Company to measure the fair value of financial and non-financial assets and liabilities.
In relation to the fair value measurement, the Company has its own structure of appraisers, responsible in general for all significant fair value measurements, including Level 3 measurements (if present).
Non-observable input data and valuation adjustments are regularly subjected to reappraisal.
When information provided by third parties, such as broker quotes or pricing services, is used to determine fair value, the team of appraisers assesses and documents the evidence obtained from third parties to support the fact that such measurements comply with the provisions of the EU-IFRS, including the level of fair value hierarchy in which the related measurement has to be classified.
The significant aspects relating to the measurement are communicated to the Control, Risk and Sustainability Committee of the Group.
In measuring the fair value of an asset or a liability, the Company uses, insofar as it is possible, observable market data. Fair values are categorised in various hierarchical levels according to the input data used in the measurement techniques, as illustrated below.
– Level 1: quoted prices (unadjusted) for identical assets or liabilities in active markets.
– Level 2: inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (prices) and indirectly (derived from prices).
– Level 3: unobservable inputs for the asset or liability.
If the input data used to measure the fair value of an asset or of a liability are categorised within different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Company recognises the transfers between the various levels of the fair value hierarchy given the event or the change in the circumstances that determined the transfer in which the transfer took place.
Additional information on the assumptions to determine fair value is provided in the following notes:

- **Note 23 – Services and other costs** and **Note 24 – Personnel expense**;
- **Note 31 – Financial Instruments**.

Estimates and assumptions are revised periodically and the effects of each change are reflected in the Income Statement in the period in which the change took place.

IMPAIRMENT TESTS ON EQUITY INVESTMENTS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Impairment of non-financial assets (impairment test)

At least once a year, the Company measures the recoverable amount of non-financial assets, including equity investments, to determine whether there are indications that they may be impaired (examination of triggering events). If such an indication exists, the Company estimates the recoverable amount of the asset to determine the amount of the impairment loss.

The recoverable amount of an asset is the higher of its fair value less costs to sell, and its value in use, determined as the present value of expected future cash flows.

An asset is impaired when its carrying amount exceeds its recoverable amount. When an impairment loss recognised in prior periods for an asset other than goodwill subsequently no longer exists or may have decreased, the carrying amount of the asset or the cash-generating unit is increased up to the new estimated recoverable amount without exceeding the amount that would have been determined had no impairment loss been recognised.

ERG Power Generation S.p.A.

In these Separate Financial Statements, the carrying amount of the equity investment in ERG Power Generation S.p.A. is equal to EUR 2,634 million (EUR 2,634 million at 31 December 2024). Please see **Note 4 – Equity investments** for further details.

For the purposes of the 2017 Separate Financial Statements the Company had tested the carrying amount of the equity investment that showed that the recoverable amount is significantly higher than its carrying amount.

For the purposes of the 2018 to 2024 Separate Financial Statements, the Group checked the presence of impairment indicators, and did not identify the need to perform the impairment test.

For the purposes of the 2025 Separate Financial Statements, the Group checked the presence of impairment indicators.

In particular, the following were examined:

- changes in the enterprise value of the CGU Groups belonging, directly and indirectly, to ERG Power Generation S.p.A.;
- the distribution of dividends during 2025, amounting to EUR 70 million, by ERG Power Generation S.p.A. to ERG S.p.A.;
- the stock market capitalisation of ERG S.p.A. at 31 December 2025 amounting to EUR 3.2 billion (EUR 3.0 billion at 31 December 2024). It is noted in this regard that the fair market value of ERG Power Generation S.p.A. can be derived from that of ERG S.p.A. net of the costs of the corporate structure and of net cash and cash equivalents of ERG S.p.A.

Company management deems the assumptions used to identify and verify the indicators to be reasonable and, on the basis of the aforementioned assumptions, no need to determine the recoverable amount has emerged.

ANALYSIS OF THE STATEMENT OF FINANCIAL POSITION

NOTE 1 - INTANGIBLE ASSETS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Other intangible assets refer mainly to software licences. Intangible assets are recognised at purchase cost, including all related ancillary charges.

Other intangible assets are amortised over a maximum period of 5 years.

(EUR thousand)	Other intangible assets	Assets under development	Total
Historical cost	36,869	537	37,405
Amortisation and impairment losses	(34,877)	-	(34,877)
BALANCE AT 31/12/2023	**1,992**	**537**	**2,529**
Changes for the year:			
Acquisitions	1,231	634	1,865
Capitalisations/reclassifications	484	(507)	(23)
Disposals and divestments (cost)	(4,219)	-	(4,219)
Disposals and divestments (provision)	4,219		4,219
Amortisation	(1,848)	-	(1,848)
Other changes	-	-	-
Historical cost	34,365	664	35,029
Amortisation and impairment losses	(32,505)	-	(32,505)
BALANCE AT 31/12/2024	**1,860**	**664**	**2,523**
Changes for the year:			
Acquisitions	1,011	987	1,999
Capitalisations/reclassifications	147	(147)	-
Disposals and divestments (cost)	-	-	-
Disposals and divestments (provision)			-
Amortisation	(1,673)	-	(1,673)
Other changes	-	-	-
Historical cost	35,523	1,504	37,027
Amortisation and impairment losses	(34,179)	-	(34,179)
BALANCE AT 31/12/2025	**1,344**	**1,504**	**2,849**

"Other intangible assets" consist mainly of software applications and advisory services provided in the implementation phase thereof. The increase is due mainly to the investments for the year related to new software and improvements on existing ones.

NOTE 2 - PROPERTY, PLANT AND EQUIPMENT

Relevant information on the accounting standards adopted and recognition and measurement criteria

Property, plant and equipment are recognised at acquisition, inclusive of capitalised financial expense, or production cost less accumulated depreciation and impairment losses.
If an item of property, plant and equipment comprises various parts having different useful lives, these parts are recognised separately (significant components).
The profit or loss generated by the sale of an item of property, plant and equipment is recognised in profit or loss for the year. Expansion, modernisation and transformation costs and maintenance costs are capitalised only if they increase the future economic benefits of the asset to which they refer.
Capitalised costs are allocated to the income statement via depreciation. Depreciation is calculated on a straight-line basis over the asset's estimated useful life. When the asset consists of several significant parts having different useful lives, each part is depreciated separately.
The depreciable amount is the asset's historical cost less the expected residual value, if material and reliably measurable.
Land is not depreciated, even if acquired together with a building. Freely transferable assets are depreciated over the estimated life of the asset or the concession term, whichever is shorter.
The depreciation rates applied are as follows:

- *Industrial buildings – 2.75%-5.5%*
- *Commercial buildings – 2.5%*
- *General plant – 10%*
- *Furniture and furnishings – 12%*
- *Electronic machines – 20%*
- *Equipment – 25%*
- *vehicles – 25%*
- *incremental expenses – 8-25%*

(EUR thousand)	Land and buildings	Plant and equipment	Other assets	Assets under construction	Total
Historical cost	**17,315**	**879**	**11,056**	**76**	**29,326**
Depreciation and impairment losses	(11,809)	(644)	(8,776)	-	(21,230)
Balance at 31/12/2023	**5,506**	**235**	**2,280**	**76**	**8,097**
Changes in the year					
Acquisitions	-	3	360	102	465
Capitalisations	-	-	-	-	-
Reclassifications	-	-	45	(23)	23
Disposals and divestments (cost)	-	(1)	(1,894)	-	(1,895)
Disposals and divestments (provision)	-	1	625	-	626
Other changes	-	-			-
Depreciation	(296)	(54)	(325)	-	(676)
					-
Historical cost	**17,315**	**881**	**9,567**	**156**	**27,919**
Depreciation and impairment losses	(12,106)	(698)	(8,476)	-	(21,905)
BALANCE AT 31/12/2024	**5,210**	**183**	**1,091**	**156**	**6,640**
Changes in the year					
Acquisitions	-	60	269	409	738
Capitalisations	-	-	-	-	-
Reclassifications	-	23	-	(23)	-
Disposals and divestments (cost)	-	-	(50)		(50)
Disposals and divestments (provision)	-	-	50	-	50
Other changes	-	-			-
Depreciation	(296)	(57)	(333)	-	(686)
					-
Historical cost	**17,315**	**964**	**9,786**	**542**	**28,607**
Depreciation and impairment losses	(12,402)	(755)	(8,759)	-	(22,591)
BALANCE AT 31/12/2025	**4,913**	**209**	**1,027**	**542**	**6,692**

The item "Land and buildings" includes land on the Priolo Gargallo site. "Other assets" consist mainly of equipment, furniture and furnishings and works of art.

NOTE 3 – RIGHT-OF-USE ASSETS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Leases

The Company's leases, as per the IFRS 16 definition, relate to property, equipment and vehicle fleet. Leased assets are recorded in the Separate Financial Statements with the recognition of an asset representing the right to use the underlying asset and a liability representing the obligation to make lease payments.

Financial liabilities are discounted using the interest rate implicit in the lease. Where this rate cannot readily be determined, the Company uses the incremental borrowing rate (determined as the sum of the Group's credit spread and the forward curve based on Eurozone swap rates).

Main assumptions – lease evaluation

The Group uses subjective assessments to determine whether a contract contains a lease. The Company analysed all lease agreements, defining the lease term, which is the non-cancellable period of the lease.

The Company's leases have an average term of 4 years, with the inclusion for some leases of a renewable option exercisable at the end of the binding period.

In relation to the renewal options, the Company estimated the term of the related lease agreement taking into account the reasonable certainty that the option will be exercised.

Specifically, for land and buildings, this assessment considered the specific facts and circumstances of each asset. With regard to the other categories of assets, mainly corporate cars and equipment, the Company generally deemed it improbable that extension or early termination clauses would be exercised in view of the practices usually followed by the Group.

(EUR thousand)	Land and buildings	Other assets	Total
Historical cost	**3,161**	**2,732**	**5,892**
Depreciation and impairment losses	(2,301)	(1,574)	(3,875)
BALANCE AT 31/12/2023	**860**	**1,157**	**2,017**
Changes in the year			
Acquisitions of right-of-use assets	34	505	539
Capitalisations	-	-	-
Reclassifications	-	-	-
Disposals and divestments of right-of-use assets (cost)	-	-	-
Disposals and divestments of right-of-use assets (provision)	-	-	-
Other changes	-	-	-
Depreciation of right-of-use assets	(194)	(590)	(784)
Historical cost	**3,195**	**3,236**	**6,431**
Depreciation and impairment losses	(2,495)	(2,165)	(4,660)
BALANCE AT 31/12/2024	**700**	**1,071**	**1,771**
Changes in the year			
Acquisitions of right-of-use assets	8	433	441
Capitalisations	-	-	-
Reclassifications	-	-	-
Disposals and divestments of right-of-use assets (cost)	-	(108)	(108)
Disposals and divestments of right-of-use assets (provision)	-	73	73
Other changes	-	-	-
Depreciation of right-of-use assets	(195)	(612)	(807)
			-
Historical cost	**3,202**	**3,634**	**6,837**
Depreciation and impairment losses	(2,690)	(2,777)	(5,467)
BALANCE AT 31/12/2025	**512**	**858**	**1,370**

NOTE 4 – EQUITY INVESTMENTS

Relevant information on the accounting standards adopted and recognition and measurement criteria

"Subsidiaries" are all the companies over which ERG S.p.A. has control. Control is obtained when the company is exposed or is entitled to the variable returns deriving from its relationship with the investee and has the capability, by exercising its power over the investee, to influence its returns. Such power is defined as the current capability to direct the significant activities of the investee by virtue of existing substantive rights.

Equity investments in companies are initially measured at acquisition cost. The cost is subsequently adjusted for any impairment losses, which are subsequently reversed if the assumptions that caused them no longer hold true; the reversal may not exceed the original cost. Additional information on the impairment test is provided in the section Impairment test on equity investments.

If the portion of the loss pertaining to ERG S.p.A. exceeds the carrying amount of the equity investments and it is obligated to fulfil legal or constructive obligations of the investee or otherwise to cover its losses, any amount above the carrying amount is recognised in a liability provision within the provisions for risks and charges. In case of transfer, without economic substance, of an equity investment in a company under joint control, any difference between the price received and the carrying amount of the equity investment is recognised under equity..

	Equity investments		
(EUR thousand)	Subsidiaries	Other companies	Total
BALANCE AT 31/12/2023	**2,633,270**	**465**	**2,633,736**
Changes in the year:			
Acquisitions/share capital increases/revaluations		-	-
Disposals and divestments	-	-	-
Other changes	409	(12)	397
BALANCE AT 31/12/2024	**2,633,679**	**453**	**2,634,132**
Changes in the year:			
Acquisitions/share capital increases/revaluations		-	-
Disposals and divestments	-	-	-
Other changes	413		413
BALANCE AT 31/12/2025	**2,634,092**	**453**	**2,634,546**

In order to further strengthen the equity/financial structure of the subsidiary ERG Power Generation S.p.A., in 2023 the company decided to waive part of the amount due deriving from the existing line of credit, amounting to EUR 30 million, and to convert it into a capital injection in favour of ERG Power Generation S.p.A.

"Other changes" relate primarily to the effect, on subsidiaries, of the introduction of the 2024-2026 Long-Term Incentive Plan in accordance with **IFRS 2 – Share-Based Payment**, as described more in detail in the "Treasury shares" section.

The list of equity investments is below with the data provided in compliance with Article 126 of CONSOB Resolution no. 11971 as amended.

(EUR thousand)	Registered office	Share capital	%	Equity (1)	Our stake in the equity (1)	Carrying amount
Subsidiaries						
ERG Power Generation S.p.A.	Genoa	100,000	100%	3,555,982	3,555,982	2,634,093
ERG Petroleos S.A.	Madrid (Spain)	3,050	100%	(7,922)	(7,922)	-
Total Subsidiaries						**2,634,093**
Other companies						
CAF Interregionale Dipendenti S.r.l.(2)	Vicenza	276	0%	1,076	0	0
Meroil S.A.(2)	Barcelona (Spain)	19,077	1%	104,214	907	310
R.U.P.E. S.p.A.(2)	Genoa	3,058	5%	2,936	143	143
Total Other companies						**453**
TOTAL EQUITY INVESTMENTS						**2,634,546**

(1) figures based on the most recent approved financial statements as at the date of the Board of Directors' meeting for other companies and associates
(2) figures based on the financial statements as at 31 December 2024

It should also be recalled that in view of the deficit of ERG Petroleos S.A. in liquidation, a provision for risks on equity investments of approximately EUR 7.9 million has been recognised, of which EUR 118 thousand allocated in 2025. This provision is used to cover the loan asset due from the subsidiary in order to reflect its recoverable amount at the end of the liquidation. The provision is therefore zero at 31 December 2025.

For the measurement of the equity investment in ERG Power Generation S.p.A., please refer to the **Impairment test on equity investments** section.

NOTE 5 – DEFERRED TAXATION

Deferred tax assets

Relevant information on the accounting standards adopted and recognition and measurement criteria

Pursuant to the accruals basis of accounting, the Separate Financial Statements include deferred tax assets and liabilities on the temporary differences arising between the carrying amounts and related tax bases, and on unused tax losses.

Deferred tax assets are allocated when their future recovery is probable. The recoverability of the temporary differences and of the tax losses is contextualised within the various expiry dates of the tax consolidation agreements. The quantitative limit of 80% does not apply for tax losses generated in the first three years from the incorporation of the company, provided that they refer to a new productive activity.

Deferred taxes are calculated on the basis of the tax rates that are expected to apply to the years in which the taxable temporary differences will reverse.

The Company considers it reasonably certain that the deferred tax assets recognised at 31 December 2025 will be recovered.

	31/12/2025		31/12/2024	
(EUR thousand)	**Temporary differences**	**Tax effect**	**Temporary differences**	**Tax effect**
Provision for risk and charges	31,754	7,621	32,060	7,694
Loss allowance	1,610	386	1,610	386
Other temporary differences	1,804	433	1,193	286
Total Deferred tax assets		**8,440**		**8,367**

Deferred tax assets express the IRES related to income components that will become deductible in the coming years. Maintenance of the deferred tax assets in the financial statements for the year ended on 31 December 2025 is supported by reasonable elements of certainty regarding their recoverability in the years in which they are expected to be repaid. This assumption is based on the Group's expected taxable income, by virtue of ERG's adoption of the tax consolidation scheme.

The rate used to calculate deferred tax assets is the same as the nominal IRES rate of 24%.

Deferred tax assets at 31 December 2025, amounting to EUR 8.4 million (EUR 8.4 million at 31 December 2024), are mainly allocated to provisions for risks and charges. The amount is in line with the amount at 31 December 2024.

Deferred tax liabilities

	31/12/2025		31/12/2024	
(EUR thousand)	**Temporary differences**	**Tax effect**	**Temporary differences**	**Tax effect**
Derivatives	24,242	5,818	33,517	8,044
Other deferred tax liabilities	138	33	121	29
Unrealised exchange gains	-	-	-	-
Total deferred tax liabilities		**5,851**		**8,073**

"Deferred tax liabilities" are recognised on taxable temporary differences between the carrying amount of recognised assets and liabilities and their corresponding tax base.

The rate used to calculate deferred taxes is the same as the nominal IRES rate (24%).

Deferred tax liabilities at 31 December 2025 amounted to EUR 5.9 million (EUR 8.1 million at 31 December 2024). The decrease compared to the previous year is essentially due to the movement of interest rate hedging derivatives (EUR -2.2 million). The remaining deferred tax liabilities are attributable to the tax impact of the adjustment to post-employment benefits as a result of IAS 19.

NOTE 6 - OTHER NON-CURRENT ASSETS

Other non-current assets amounted to EUR 14,046 thousand and include EUR 8,159 thousand relating to provisional tax payments pending ruling and assets related to tax disputes, EUR 1,014 thousand relating to bank fees paid in advance in the period from 2022 to 2025 on the revolving credit line, EUR 406 thousand mainly relating to VAT assets, which remain unchanged compared to 31 December 2024. The item also includes non-current assets due from others equal to EUR 16 thousand, which mainly include security deposits on lease contracts and, finally, EUR 4,450 thousand relating to the amount paid in 2018 by the Company ERG S.p.A. to the tax authorities as a provisional collection during legal proceedings in relation to the legal dispute concerning the notice of correction and payment of registration tax on the sale of the ISAB Energy S.r.l. business unit. For more details, see the section below:

Notice of adjustment and settlement of registration tax for the sale of the ISAB Energy S.r.l. business unit

With regard to the sale of the business unit consisting mainly of the "IGCC" thermoelectric power plant which took place pursuant to the deed dated 30 June 2014 by ISAB Energy S.r.l. to ISAB S.r.l., on 6 July 2016, the provincial division of the Italian Revenue Agency at Syracuse – Noto office (hereinafter the "Agency") served to ERG S.p.A. as the merging entity on December 2015 of the seller ISAB Energy S.r.l., sent a notice amending the amounts declared for settlement of the registration tax. This same notice was served on 28 June 2016 to ISAB S.r.l. in its capacity as the jointly and severally liable seller. Essentially, the Agency demanded the rectification of the amount declared by the parties in terms of the registration tax in relation to each of the components of the business unit that was sold and proceeded to redetermine the value of (just) the real estate component consisting of the IGCC plant, measured at approximately EUR 7 million (net of accompanying liabilities of approximately EUR 7 million), and the carrying amount thereof at 30 June 2014 at approximately EUR 432 million, without assessing whether the future results of the business unit that was sold would justify the aforementioned value. The Agency therefore assessed the overall market value of the business unit that was sold at approximately EUR 442 million, instead of the consideration of approximately EUR 25 million declared by the parties, a consideration that is nevertheless higher than the overall market value for the business unit of approximately EUR 13 million, pursuant to a sworn appraisal report by a third party appraiser appointed by ISAB Energy. Based on these assumptions, the Agency assessed a higher registration tax of approximately EUR 37 million, imposing a fine equal to the higher registration tax that was assessed plus interest. As already mentioned, it should be noted that the Agency merely expressed a different estimate of "only" the property, plant and equipment component (IGCC plant) of the business unit, and not the business unit overall, in manifest violation of the regulations contained in the Consolidated Registration Tax Law. In particular, based on the adjustment, the Agency identified only the carrying amount of the IGCC plant, completely disregarding its profitability (whether positive or negative) as part of the business unit in which the plant is expected to be used. Therefore, the Agency disregarded the assumption and appraisal criteria that led the appraiser to determine the purchase price at approximately EUR 13 million, and particularly the lack of cash flows following the termination of the CIP 6 Agreement, and did not consider at all the ascertained negative future profitability of the sold business unit, or the relative badwill (as fully described in the sworn appraisal report, which is already in the hands of the Agency). As the company believes that it is able to formulate valid arguments in its defence, with the assistance of its own tax consultants, it has submitted an appeal to the competent Provincial Tax Commission and applications for both administrative and judicial suspension of the provisional tax demanded in the course of the proceedings (the amount of the provisional tax is equal to approximately EUR 13 million). On 10 August 2016, the Syracuse Provincial Tax Commission ordered the judicial suspension of the provisional tax demanded. The merits hearing was held on 15 November 2016 before the Syracuse Provincial Tax Commission. On 16 May 2017, the Syracuse Provincial Tax Commission annulled the contested act, but re-determined the value of the divested business for the purposes of registration tax to be approximately EUR 71 million (compared to the approximately EUR 25 million declared for the purposes of registration tax). On 17 July 2017, ERG S.p.A. appealed to the competent Regional Tax Commission, requesting the suspension of the effects of the first instance ruling. On 9 September 2017, the Regional Tax Commission rejected the application for suspension. On 13 October 2017, the Provincial Division of the Italian Revenue Agency at Syracuse issued a specific payment order for higher registration tax of EUR 5.1 million, fines of EUR 5.1 million and interest at 10 October 2017 of EUR 0.6 million. An appeal was filed against the aforementioned payment order and, at the same time, an application was made for judicial suspension of the tax collection. On 23 November 2017, the Syracuse Provincial Tax Commission ordered the judicial suspension of the tax collection and fixed the relevant hearing for 15 January 2018. The merit hearing was held on that date, and on 24 January 2018 the Syracuse Regional Tax Commission (sub-office) ordered the appointment of Sebastiano Truglio from Catania as the court-appointed expert. On 7 March 2018, the Syracuse Provincial Tax Commission repaid approximately EUR 2 million of tax due with fines and interest totalling approximately EUR 4.5 million. Following the decision, a new order was issued by the Italian Revenue Agency. On 11 May 2018, the Company appealed against this decision and applied for judicial suspension of the tax collection. The Chairman of the Syracuse Regional Tax Commission set the date for the hearing for the judicial suspension of the tax collection for 17 July 2018; given that the deadline for the payment of the requested amounts with the aforementioned payment order was 15 June 2018 (therefore prior to the hearing for the judicial suspension of the tax collection), ERG S.p.A. was forced to pay approximately EUR 4.5 million (provisional tax demanded in the course of the proceedings). This amount would have had to be repaid by the Italian Revenue Agency in the event of it losing the first level proceeding and it was recorded among the amounts claimed by the Company from the Tax Authority. On 6 May 2019, the court-appointed expert Sebastiano Truglio from Catania transmitted to the parties the draft appraisal report, which presents a negative value of the business sold, hence a lower value than that declared by the Company. On 12 June 2019, the court-appointed expert filed his appraisal report with the Syracuse Regional Tax Commission and duly addressed the observations presented by the Italian Revenue Agency. The appeal before the Syracuse Regional Tax Commission took place on 10 February 2020. On 29 July 2020, the ruling of the Syracuse Provincial Tax Commission was filed, which – disregarding the findings of the appraisal carried out by the court-appointed expert – upheld the appeals filed by the Provincial Division of the Italian Revenue Agency at Syracuse against the first instance ruling of the Provincial Tax Commission of Syracuse and determined the market value of the company at:

- asset value of EUR 367 million (value determined by the court-appointed expert)

+

- value of commercial goodwill to be determined on the basis of the profitability percentage (the ratio between business income and revenue) applied to the average revenue of the three-year period preceding the transfer of the business, multiplied by two (pursuant to the repealed Article 2, paragraph four, Italian Presidential Decree no. 460/96).

Following the analysis carried out jointly with the tax consultants in charge of the defence, since there were clear profiles of illegality, an appeal was lodged with the Court of Cassation on 7 October 2020 against the ruling of the Syracuse Regional Tax Commission. The hearing was held on 29 September 2024 and on **17 January** 2025 the sentence of the Court of Cassation was published, affirming the following principle of law: "the valuation of business goodwill, for the purposes of determining the taxable base for registration tax, must also take into account, in this case, the negative goodwill. In such cases, the criterion set out in Article 2, paragraph 4, of Italian Legislative Decree no. 460/1996 cannot be applied, as it is based on standard industry studies or the assumption of positive average profitability derived from past financial years. Such a method, even with the reduced multiplier provided therein, is incapable of reflecting a reliable market value for the business in situations where negative goodwill is ascertained at the time of transfer". The ruling upholds the appeal filed by the Company, overturns the contested ruling with regard to the method used by the judges of second instance to determine the value of goodwill, and remands the case to the Court of Tax Justice of second Instance of Sicily – Syracuse branch in a different composition. The court is tasked with assessing and determining, in accordance with the established legal principle, the value of the ascertained negative goodwill and, consequently, the fair market value of the business at the time of the deed (calculated as the company's asset value minus the negative goodwill).

On 9 April 2025, ERG S.p.A. filed an application for resumption proceedings before the Court of Tax Justice of second Instance of Sicily, requesting a judicial stay of collection. On 12 May 2025, the Court of Tax Justice of second Instance of Sicily granted the Company's application for a judicial stay of collection, without requiring the provision of a guarantee.

On 24 November 2025, the hearing was held, and on 27 November 2025 the ruling of the Court of Tax Justice of second Instance of Sicily, Syracuse branch, was filed. The Court ruled as follows: "Dismisses the cross-appeal, upholds the principal appeal and, consequently, in reform of rulings nos. 2028/07/17 and 2053/07/17 issued by the Provincial Tax Commission of Syracuse, annuls the contested measure identified in the heading. Fully offsets the costs of all levels of proceedings between the parties. Orders the Revenue Agency to reimburse the private parties for the legal costs incurred, in the terms set out in the reasoning."

Specifically, the Court of Tax Justice of second Instance of Sicily held that "the mixed method adopted by the court-appointed expert [Technical Consultant previously appointed in the earlier second-level proceedings] is appropriate in the present case, as it is based on the net asset value as determined above (and to be regarded as covered by res judicata), from which goodwill must be deducted. In this case, goodwill has a negative value (also covered by res judicata and, in any event) for the reasons set out by the court-appointed expert, which are logically consistent and endorsed by the Panel." Therefore, "the difference between EUR 367,249,890.00 [net asset value] and EUR 490,543,811.00 [negative goodwill] clearly results in a negative figure [market value of the business for registration tax purposes]." On 26 January 2026, the Revenue Agency filed an appeal before the Supreme Court of Cassation against the ruling of the Court of Tax Justice of second Instance of Sicily.

In light of the Court of Tax Justice of second Instance of Sicily, Syracuse branch, the classification as a **"remote risk"** is confirmed. Consistent with qualifying the risk as remote, the Directors confirm the recognition (and the relative value) of the company's tax asset (approximately EUR 4.5 million paid to the tax authorities for provisional tax demanded in the course of the proceedings) and have not allocated any provision for risks.

NOTE 7 - TRADE RECEIVABLES

Initial recognition takes place at fair value, subsequently they are measured using the amortised cost criterion.

Trade receivables and other assets deriving from contracts with customers are subject to impairment testing in accordance with the provisions of IFRS 9 on expected credit losses.

Expected credit losses (ECL) are an estimate of losses weighted on the basis of the probability of default of the counterparty.

For customers, the Company individually assesses the time frame and the amount of the impairment on the basis of the actual expectation of recovery.

Receivables can be summarised as follows:

(EUR thousand)	31/12/2025	31/12/2024
Receivables from Group companies	47,366	6,826
Receivables from customers	1,305	1,523
Loss allowance	(1,305)	(1,450)
Total	**47,366**	**6,900**

The item "Receivables from Group companies" includes the receivable from ERG Power Generation S.p.A. for the service staff contract for the year 2025, collected in January 2026.

The item "Receivables from customers" includes prior year trade receivables covered by the loss allowance.

Lastly, the Company assesses the existence of objective evidence of impairment on individual basis. The impairment tests are checked by the Credit Committee, which meets periodically to analyse the situation of past due trade receivables and any critical issues related to their collection.
The loss allowance is deemed to be sufficient to address the risk of potential non-collectability of past due trade receivables.

The use of the loss allowance (EUR 98 thousand) relates to the full impairment of receivables following settlement agreements.

(EUR thousand)	31/12/2025	31/12/2024
Receivables from third parties not past due and intragroup receivables	**48,671**	**8,276**
Past due receivables from third parties:		
within 30 days	-	-
within 60 days	-	-
within 90 days	-	-
after 90 days		74
Total	**48,671**	**8,350**

NOTE 8 - OTHER CURRENT ASSETS

(EUR thousand)	31/12/2025	31/12/2024
Other assets	3,932	12,082
Tax assets	10,230	10,099
Other amounts due from Group companies	56	71
Total	**14,218**	**22,251**

Tax assets mainly relate to other tax assets (EUR 10,230 thousand), referring to IRES and IRAP assets and to assets for excise duties for electricity. Other assets mainly include prepaid expenses.

The item "Other assets" mainly includes accruals, prepayments and other amounts and has decreased compared with the previous financial year because the portion of receivables relating to provisional tax payments made pending legal proceedings has been reclassified under "Other non-current assets".

NOTE 9 - CURRENT TAX ASSETS

(EUR thousand)	31/12/2025	31/12/2024
Current tax assets	21,348	24,226
Total	**21,348**	**24,226**

The item "Current tax assets" essentially includes IRES amounts due from subsidiaries as a result of their participation in the tax consolidation scheme.
For further details, please refer to **Note 28 – Income taxes**.

NOTA 10 - EQUITY

Share capital

The fully paid-in share capital at 31 December 2025 consisted of 150,320,000 shares with a par value of EUR 0.10 each for a total of EUR 15,032,000 (unchanged since 31 December 2024).

At 31 December 2025, SQ Renewables S.p.A. owns 94,000,000 shares, equal to 62.533%, unchanged compared to 31 December 2024. The shareholding structure of ERG S.p.A. is shown below:

	No. of shares	%
Share capital	**150,320,000**	**100%**
SQ Renewables S.p.A.	94,000,000	63%
ERG S.p.A. (treasury shares)	4,965,240	3%
Others lower than 3%	51,354,760	34%
Total	**150,320,000**	**100%**

Treasury shares

Relevant information on the accounting standards adopted and recognition and measurement criteria

Treasury shares are presented as a reduction in equity.

In case of buy-back of shares recognised in equity, the consideration paid, including the costs that can be directly attributed to the transaction are recognised as a reduction in equity. The shares thus bought back are classified as treasury shares and recognised in the reserve for treasury shares. The consideration received from the subsequent sale or re-issue of treasury shares is recognised as an increase in equity. Any positive or negative difference deriving from the transaction is recognised in the share premium reserve. In accordance with IAS 32, treasury shares were presented as a reduction in equity, through the use of the share premium reserve.

The original cost of treasury shares, impairment losses, and gains and losses deriving from any subsequent sales are presented as changes in equity.

On 23 April 2024, pursuant to Article 2357 of the Italian Civil Code, the Ordinary Shareholders' Meeting authorised the Board of Directors, subject to revocation, for the period still remaining, of the previous authorisation resolved by the Shareholders in the meeting on 26 April 2023, for a period of 18 months effective from 23 April 2024, to repurchase treasury shares up to a revolving maximum (i.e. the maximum amount of treasury shares held from time to time in the portfolio) of 15,032,000 ordinary ERG shares with a par value of EUR 0.10 each, at a unit price, including ancillary purchase charges, not lower than 30% below and not higher than 10% above the closing price of the share on the day immediately preceding each individual transaction. This is in order to optimise the capital structure with a view to maximising the creation of value for shareholders, also in relation to the available liquidity and, nonetheless, for any other purposes allowed by the applicable legislative and regulatory provisions in force. The purchase must be carried out through the use of distributable profits and available reserves resulting from the last approved Financial Statements, in compliance with Article 132 of the Consolidated Finance Act and in the manner set forth in Article 144-bis, paragraph 1, letter b) of the Issuers' Regulation, i.e. "on regulated markets or multilateral trading facilities in accordance with the operating procedures established in the organisational and management regulations of the markets themselves, which do not allow the direct matching of trading proposals for purchase with predetermined trading proposals for sale".

It should be noted that, on 14 November 2024, the Board of Directors of ERG S.p.A. approved the launch of a share buy-back programme as an investment aimed at maximising value creation for the Company and its shareholders, for a maximum period of three months, in accordance with the resolution passed by the Shareholders' Meeting on 23 April 2024.

At 31 January 2025, 1,133,766 ordinary shares – the maximum number of shares that can be purchased – were repurchased at a weighted average price of EUR 19.9 per share and the buy-back programme was therefore concluded. Considering the shares already in its portfolio prior to the start of the programme, ERG S.p.A. holds, at the conclusion of the programme, 4,965,240 treasury shares equal to 3.3031% of the relevant share capital.

On 22 April 2025, pursuant to Article 2357 of the Italian Civil Code, the Ordinary Shareholders' Meeting authorised the Board of Directors, subject to revocation, for the period still remaining, of the previous authorisation resolved by the Shareholders in the meeting on 23 April 2024 referred to above, for a period of 18 months effective from 22 April 2025, to purchase treasury shares up to a revolving maximum (i.e. the maximum amount of treasury shares held from time to time in the portfolio) of 15,032,000 ordinary ERG shares with a par value of EUR 0.10 each, at a unit price, including ancillary purchase charges, not lower than 30% below and not higher than 10% above the closing price of the share on the day immediately preceding each individual transaction. The purchase has the same purpose as the previous authorisation and must be carried out in accordance with the procedures already mentioned.

The same Shareholders' Meeting authorised the Board of Directors, pursuant to Article 2357-ter of the Italian Civil Code, upon annulment, for the period still remaining, of the previous authorisation resolved by the Shareholders' Meeting on 23 April 2024, for 18 months as from 22 April 2025, to also sell, all at once or in several steps, and with any procedures deemed appropriate in relation to the purposes, which the disposal is attempting to achieve, treasury shares at a unit price no lower than 10% below the closing price of the share on the day immediately preceding each individual disposal.

Information on the purchase of treasury shares is updated weekly on the Company's website (www.erg.eu) in the "Media/Press Releases" section.

Period	Number of shares repurchased	Average price per share (Euro)	Aggregate number of shares purchased
2023-2024 Programme			
October 2023	480,000	23,14	480,000
November 2023	947,636	24,85	1,427,636
December 2023	976,644	27,25	2,404,280
TOTAL AT 31/12/2023	**2,404,280**	**25,48**	**2,404,280**
January 2024	796,938	27,15	3,201,218
February 2024	556,782	26,59	3,758,000
TOTAL AT 12/02/2024	**3,758,000**	**26,00**	**3,758,000**
2024-2025 Programme			
November 2024	160,000	20,04	160,000
December 2024	374,671	20,25	534,671
TOTAL AT 31/12/2024	**534,671**	**20,18**	**534,671**
January 2025	599,095	19,68	1,133,766
TOTAL AT 31/12/2025	**1,133,766**	**19,90**	**1,133,766**

The following table shows the change in the number of treasury shares and shares outstanding:

Number of shares	Treasury shares	Shares outstanding
BALANCE AT 31/12/2024	4,366,145	145,953,855
Repurchase of ordinary shares	599,095	(599,095)
BALANCE AT 31/12/2025	**4,965,240**	**145,354,760**

La variazione del numero di azioni proprie nel 2025 è stata determinata dall'esecuzione del Programma di acquisto di azioni proprie, iniziato nel 2024.

Reserves

(EUR thousand)	31/12/2025	31/12/2024
Share premium reserve	74,543	74,543
Legal reserve	3,236	3,236
FTA reserve and retained earnings	-	-
Hedging reserve	18,423	25,473
Treasury shares in portfolio	(109,728)	(97,939)
Other reserves	599,591	713,091
TOTAL	**586,064**	**718,404**

- The **Share premium reserve** consists of the share premium paid by the shareholders for the subscription of the shares relating to the share capital increases carried out on 14 October 1997, 2 July and 5 August 2002.
- The "**FTA reserve and retained earnings**" consisted of the adjustments made to the ERG S.p.A. Separate Financial Statements at the transition date (mainly because of the reversal of dividends recognised on an accruals basis at the end of the year) and of retained earnings. In 2018, the effects deriving from transition to IFRS 9 were recorded for a total amount of EUR 3,317 thousand, net of the tax effect. It should be noted that in 2024 the reserve was distributed;
- The "**Hedging reserve**" at 31 December 2025 is positive by EUR 18,423 thousand and reflects the effect of hedging derivatives on financing;
- **Other reserves** comprise mainly:
  - **The goodwill generated by the 2015 merger of ISAB Energy into ERG S.p.A.** amounting to EUR 184,319 thousand at 31 December 2024. During 2025, part of this reserve was used for the distribution of dividends. At 31 December 2025, the residual amount was EUR 66,433 thousand
  - The **monetary revaluation reserve**, which as from 2015 includes the reconstitution of the monetary realignment reserve of the former ISAB Energy S.r.l. as per Italian Law no. 266/05 for an amount of EUR 28,709 thousand. This reserve may be distributed to the Shareholders, in which case it will contribute to form the taxable profit of the Company, or it may be used to cover losses, in which case the Company may not distribute dividends, without first having reconstituted its amount. The Company did not recognise deferred tax liabilities on these reserves because it does not expect any utilisations that may generate taxation;
  - **The goodwill generated by the 2010 merger of ERG Raffinerie Mediterranee S.p.A. and ERG Power & Gas S.p.A.** into ERG S.p.A., equal to EUR 446 million, had been partly allocated in the "2010 merger goodwill" reserve (EUR 251 million) and partly to reconstitute the specific equity reserves (EUR 195 million) subject to tax on distribution.

The main changes to "Other Reserves" in the year are listed below:
- increase of the reserve related to the 2024-2026 Long-Term Incentive Plan in accordance with **IFRS 2 – Share-Based Payment** as described more in detail in **Note 23 – Services and other costs** for a total amount of EUR 4,371 thousand;
- change in the actuarial reserve for an amount of EUR 13.5 thousand.

The following table lists the equity items and indicates for each the possible allocation and any tax constraints.

(EUR thousand)	Amount	Possibile utilisation	Portion available and distributable	Portion subject to tax on distribution
Share capital	15,032	-	-	15,032
Share premium reserve	74,543	A B C	74,543	
Legal reserve	3,236	B	-	
Hedging reserve	18,423	-	-	
Treasury shares in portfolio	(109,728)	-	-	
Other reserves	599,591	A B C	599,591	254,851
Profit (loss) for the year	28,350			
Total	**629,446**		**674,135**	**269,883**
non-distributable portion for reserve cancellation of treasury shares			**(109,728)**	
TOTAL	**629,446**		**564,406**	**269,883**

Key
A – for share capital increase.
B – for loss coverage.
C – for distribution to shareholders.

As a result of the off statement financial position deductions already made in accordance with the previously applicable Article 109, paragraph 4 subsection b) of the Italian Consolidated Income Tax Act, subject to transitional application (including those carried out by the merged companies) in the case of distribution of profits for the year and/or reserves, the amount of equity reserves and of the retained earnings for the year must not decrease below the total residual amount of the negative components deducted off the statement of financial position, which, net of the provisions for deferred tax liabilities, is estimated at EUR 10.4 million. In this case, the amount of the reserves and/or profit for the year that impacts on the minimum level will contribute to form the taxable profit of the company.

Dividends

The dividends paid by ERG S.p.A. in 2025 (EUR 145.4 million) and in 2024 (EUR 146.5 million), as resolved upon approval of the Financial Statements for the previous years, correspond to EUR 1 per share for both years.

Proposal of the Board of Directors of 11 March 2026

Dear shareholders, in relation to the results achieved, we invite you to resolve upon the following:
- to approve your company's financial statements as at 31 December 2025, which show a profit of €28,349,747.76;
- to resolve to pay a dividend of €1 per share to the Shareholders. The dividend will be paid on each of the shares entitled to profits in circulation on the ex-dividend date, thus excluding, pursuant to Article 2357-ter of the Italian Civil Code, treasury shares, using the profit for the financial year and the 'Other reserves' of profits;
- to resolve that the dividend be paid from 20 May 2026, subject to an ex-dividend date of 18 May 2026 and a record date of 19 May 2026.

Supplementary information on capital

The objectives identified by the Company for capital management are to safeguard corporate viability, to create stakeholder value and to support Company development. In particular, the Company pursues the maintenance of an adequate level of capitalisation that allows it to produce a satisfactory economic return for the shareholders and to assure access to external financing sources,
also through the achievement of an adequate rating. In this context, the Company manages its own capital structure and makes adjustments to it, if changes in the economic conditions so require. There were no substantial changes to the objectives, to the policies or to the processes in 2025.

NOTE 11 - EMPLOYEE BENEFITS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Employee benefits include the estimated liability relating to the benefits payable to employees when they terminate their employment.

Short-term benefits for employees

Short-term benefits for employees are recognised as a cost at the time at which the service that gives rise to such benefits is performed. The Group recognises a liability for the amount expected to be paid when there is a present, legal or constructive obligation to make these payments as a consequence of past events and it is possible to make a reliable estimate of the obligation.

Post-employment benefits

These are provided through:

- *defined contribution plans: contributions paid to independent institutions that deal with their administrative and financial management are recognised as a cost in profit/(loss) over the period in which the employees work;*
- *defined benefit plans: the sum of future obligations under these plans is based on actuarial assumptions using the projected unit credit method. The calculation is carried out by an independent actuary. This calculation is based on assumptions relating to mortality, staff turnover and estimated future salary increases, as well as specific economic conditions. The discount rates are determined, at the measurement date, with reference to the yield of investment grade corporate bonds in the relevant geographical segment (or of government bonds in countries where there is no representative market for these corporate bonds).*

Below is a schematic representation of the cases pertaining to the classification of post-employment benefits for IAS 19 purposes based on the main types of post-employment benefits in the light of the introduction of Italian Law no. 296 of 27 December 2006.

Types of Post-employment benefits	Personnel employed in 2006*	IAS 19 classification
Post-employment benefits vested up to 31 December 2006**	> 50 employees	Defined benefit plan
	< 50 employees	Defined benefit plan
Post-employment benefits accrued since 1 January 2007**	> 50 employees	Defined contribution plan
	< 50 employees	Defined benefit plan

* for newly incorporated companies, the number taken as a reference relates to the first year of business.

** Without prejudice to the options to allocate the post-employment benefits to supplemental pension plans.

Termination benefits

IThe termination benefits are recognised as a cost when the Group has committed without possibility of withdrawal to offer said benefits or, if prior, when the Group recognises the restructuring costs. Benefits entirely due beyond twelve months from the reporting date are discounted. Please refer to note 24 for further information on employee benefits.

(EUR thousand)	31/12/2025	31/12/2024
Opening balance	**1,113**	**1,593**
Increases	71	71
Actuarial revaluation	(18)	(33)
Other changes	(360)	(519)
Closing balance	**806**	**1,113**

The item includes the estimate of the liabilities, determined on the basis of actuarial techniques, relating to the post-employment benefits to be paid to employees upon termination of their employment.
The change shown in the table does not include the portion of post-employment benefits accrued and transferred to the INPS Treasury fund.

The main assumptions used in determining the actuarial value of the liability relating to post-employment benefits are shown below. The discount rate was determined on the basis of a panel of AA-rated corporate securities with at least 10-year maturity.

	2025	2024
Discount rate	4.0%	3.4%
Inflation rate	2.0%	2.0%
Average turnover rate	3.0%	3.0%
Average rate of salary increase	1.5%	1.5%
Average age	47	47

The following table shows the impact on the liability as a result of a +/-0.6% change in the discount rate.

(EUR thousand)	2025	2024
+0.5% change in discount rate: lower liability	(19)	(23)
-0.5% change in discount rate: higher liability	20	25

There are no particular risks to which the plan exposes the entity, nor any other significant risk concentration.

There are no significant contributions to the Plan because they relate almost exclusively to the revaluation of the residual value of the post-employment benefits allocated until 31 December 2006 (the defined benefit plans relate almost exclusively to the post-employment benefits provided by Article 2120 of the Italian Civil Code).

NOTE 12 – PROVISION FOR DISPOSED BUSINESSES

Relevant information on the accounting standards adopted and recognition and measurement criteria

The amounts recorded in the Provision for Disposed Businesses for existing obligations or for risks relating to previous industrial activities at the date of the Separate Financial Statements are measured on the basis of the best estimate of the financial outlay that will be necessary to fulfil the obligation. Changes in estimates are reflected in the income statement in the period in which the change occurs.

(EUR thousand)	31/12/2025	Increases	Decreases	31/12/2024
Provision for disposed businesses	80,566	1,720	(1,015)	79,861

The "**Provision for disposed businesses**" primarily includes tax, environmental or legal provisions mainly deriving from the Group's transactions before 2018, the year in which the Group completed its industrial transformation process, initiated in previous years, which led to its definitive exit from OIL businesses.

This process comprised two fundamental steps:

- the sale of the last interest held in ISAB S.r.l., on 30 December 2013, which marked the exit from the **Coastal Refining** business;
- the sale of the Group's interest in TotalErg S.p.A., on 10 January 2018, which determined the exit from the **Integrated Downstream** business.

At 31 December 2025, EUR 1.3 million were allocated, relating to the management of any charges related to the constant redefinition of the Group's strategic structure.

Although the ERG Group is no longer an active operator in the oil sector, there are still some liabilities related to its previous industrial activity that have not yet been fully defined. The main issues underlying the most significant provisions, amounting to EUR 76.1 million, and relating to the coastal refining business are summarised below:

- regarding the ongoing dispute between ERG Raffinerie Mediterranee (now ERG S.p.A.) and the Italian Tax Authorities over the application of **harbour duties** for embarkation and disembarkation rights at the Santa Panagia jetty, on 6 April 2011 the Syracuse Provincial Tax Commission partially upheld the Company's appeal and ruled that harbour duties through 2006 are not due, finding them to be due from 2007 onwards. The first level ruling was challenged within the deadline by the Customs Agency and by ERG with appeal relative to the period subsequent to 2006. The appeal decision, issued by the Regional Tax Commission and filed on 27 May 2013, amended the first level decision unfavourably for ERG. Following a thorough evaluation of the reasons for the appeal decision, the Company decided to appeal before the Court of Cassation, deeming its own arguments to be well grounded (in particular with regard to the notion of "harbour" in accordance with Italian Law no. 84/94 and to the alleged novating or retroactive validity of Article 1, paragraph 986 of the 2007 Italian Budget Law). On 4 November 2013, the Syracuse Regional Tax Commission allowed the request to suspend the effectiveness of the appeal decision, requiring the issue of a first demand insurance guarantee in favour of the Customs Agency. In the court order issued on 30 September 2019, the Court of Cassation ruled favourably on the appeal filed by the company and, consequently, rejected – overturning – the contested decision by the Regional Tax Commission. The proceedings were therefore continued within the terms prescribed by law before the Regional Tax Commission so that the latter – which has changed in composition since the previous hearing – may once again examine the merits of the case. A date for the hearing is still pending. From 2007, the relevant taxes were recognised in the income statement on an accrual basis;
- with reference to **environmental risk**, with regard to the South Site the likelihood of exposure to contingent liabilities is deemed remote, as the risk has already been limited by the settlement reached with the Italian Ministry of the Environment in August 2011 and registered by the Court of Auditors on 20 December 2011, and by the Settlement Agreement stipulated on 30 December 2013 between ERG S.p.A. and Lukoil. With regard to the North Site, depending on the double guarantee scheme deriving both from the agreement executed with ENI (previous owner of the site), and the agreement executed with Lukoil (new owner), the risk is as follows:
  i. for potential environmental damage prior to 1 October 2002, ENI is liable indefinitely;
  ii. with reference to potential damages relating to the period after 1 October 2002, ERG will only be liable – without time limitations – for potential damages linked to events known at the time of signing the contract with Lukoil and expressly identified therein ("Known Environmental Matters"), it being understood that, up to an amount of EUR 33.4 million, the expenses related to the compensation of such damages will be shared between ERG and Lukoil (51% and 49%), while beyond this amount ERG will bear the entire amount of the any additional charges.

On 9 September 2017, the Italian Ministry for the Environment warned some of the companies of the Priolo site, including ERG Power S.r.l. and ERG Power Generation S.p.A., to clean up the Augusta Harbour. The request is unlawful and has therefore been contested before the Administrative Court (the hearing for the presentation of the arguments has yet to be set).

On 30 October 2020 and thereafter on 11 June 2021 and on 30 May 2022, ERG Power S.r.l. and ERG Power Generation S.p.A. served notice of three further appeals for additional reasons, for the cancellation, respectively of (i) protocol no. 0064419 of 14 August 2020 in which the Italian Ministry of Environment and Protection of Land and the Sea called a preliminary conference of services to evaluate the report prepared in January 2020 by Ispra and IAS-CNR, regarding the "Site of national interest of Priolo Rada di Augusta", (ii) the decree of the Italian Ministry of Ecological Transition, General Management and Environmental Remediation protocol no. 50 of 15 April 2021, in which the Ministry approved the Ispra and IAS-CNR report, deeming the document a suitable basis on which to draft a remediation plan in the Augusta Harbour; and (iii) protocol no. 42114 of 1 April 2022 with which the Ministry of Ecological Transition – Directorate General for the Sustainable Use of Soil and Water Resources, forwarded the intervention plan for the definition of sediment intervention values in the Augusta Harbour (Priolo SIN), drawn up by ISPRA. These actions were challenged because the Ministry's new initiative was undertaken on the basis of the same (erroneous) assumptions that were underlying the 2017 warning notice, which had already been challenged by ERG Power S.r.l. and ERG Power Generation S.p.A. In its ruling published on 27 December 2023, the Administrative Judge dismissed the aforesaid appeals, stating that the contested actions are of an intra-procedural nature and, as such, are not capable of producing – in an immediate and direct manner – effects on the legal

sphere of the appellants and are therefore not independently contestable. The companies will therefore be able to legitimately challenge the final acts of the proceedings that would impose on them obligations to clean up the Augusta Harbour. The appellants are currently assessing any appeal against the aforementioned ruling.
ERG S.p.A. is not party to the proceedings, but the environmental topics relating to the Augusta Roadstead arise in the context of the environmental guarantees present in the various contracts with ENI and Lukoil.
Finally, a smaller portion of the provisions relates to claims arising from the commercial activities of the former refining business, amounting to EUR 0.9 million, which are being held to cover the payment in 2026 of the amounts relating to the November 2025 ruling that settles the dispute in question.

With reference to the exit of the integrated downstream business, the Provision for disposed businesses includes allocations of EUR 4.3 million:

- relating to the guarantees granted to the purchaser on past contingent liabilities (retained matters and other past contingent liabilities), based on the best estimate of the cost based on the information available to management and taking into account the breadth of the underlying elements and all possible outcomes of the related issues.

The provision for the 2025 financial year mainly includes EUR 0.9 million for monetary adjustments to underlying risks and **EUR 0.6 million for higher probable legal costs related to the** sale of **TotalErg**.
The uses for the 2025 financial year were mainly recorded against legal fees and other ancillary costs incurred for the management of litigation.

NOTE 13 – OTHER PROVISIONS

Relevant information on the accounting standards adopted and recognition and measurement criteria

The amounts recorded under Other provisions against obligations existing at the reporting date are measured on the basis of the best estimate of the financial outlay that will be necessary to fulfil the obligation. Changes in estimates are reflected in the income statement in the period in which the change occurs.

The other categories of provisions reflect the measurement of probable liabilities related to some pending disputes for which it was possible to make a reliable estimate of the corresponding expected obligation. For these provisions, no discounting was applied because of the uncertainty about the utilisation times.

Other non-current provisions

(EUR thousand)	31/12/2025	Increases	Decreases	31/12/2024
Other non-current provisions	374	5	(142)	512

The amount of the provisions for non-current liabilities and charges is equal to EUR 374 thousand (EUR 512 thousand at 31 December 2024). The item refers entirely to the Reorganisation provision.

Other current provisions

(EUR thousand)	31/12/2025	Increases	Decreases	31/12/2023
Provision for legal risks	44			44
Other provisions	266	-	(49)	315
Total	**310**	**-**	**(49)**	**359**

The amount of the provisions for current liabilities and charges at 31 December 2025 is deemed sufficient to address any future risks and charges.

The increase in "Other provisions" refers mainly to:
- Commitments for donations.

EUR 49 thousand was used to support interventions in favour of the local community.
- Provision for guarantees in application of IFRS 9 relating to the commitments made to the subsidiaries of the Group.

Finally, it should be noted that the "Provision to cover losses of investees" referring to the equity investment in ERG Petroleos S.A. was increased at the end of 2025 by EUR 118 thousand to cover the losses for the deficit of that company. The provision was therefore classified to cover the loan asset from the subsidiary in order to disclose its recoverable amount at the end of the liquidation.

NOTE 14 – CONTINGENT LIABILITIES AND DISPUTES

ERG is a party in civil, administrative and tax proceedings and legal actions connected with the normal course of its operations.
Significant contingent liabilities, represented by the following, are disclosed in the notes to the separate financial statements:

- possible (but not probable) obligations arising from past events, the existence of which will be confirmed only upon occurrence of one or more uncertain future events not wholly within the company's control;
- present obligations arising from past events the amount of which cannot be reliably estimated, or for which it is probable that settlement will not be onerous.

For the purposes of these Separate Financial Statements, there are no obligations falling within the definition described above.

NOTE 15 - TRADE PAYABLES

Relevant information on the accounting standards adopted and recognition and measurement criteria

These are liabilities deriving from commercial transactions and are payable within the next year.
These mainly refer to payables for services and investments.
Initial recognition takes place at fair value, subsequently they are measured using the amortised cost criterion.
The Company proceeds with the derecognition when the obligation has been fulfilled, cancelled or expired; for further details, see the comments on financial assets and liabilities in ***Note 16 – Net Financial Indebtedness.***

(EUR thousand)	31/12/2025	31/12/2024
Payables to suppliers	8,443	9,564
Payables to Group companies	26	276
Total	**8,469**	**9,839**

Payables to suppliers derive from commercial dealings with national and foreign suppliers payable within the next year.
Trade payables mainly include payables deriving from the provision of services by third parties and consultancy activities.
Payables to Group companies include mainly payables for services and consultancy work.

NOTE 16 – NET FINANCIAL INDEBTEDNESS

Relevant information on the accounting standards adopted and recognition and measurement criteria

For the purposes of defining the net financial indebtedness, reference is made to the matters indicated on the subject in CONSOB Warning Notice no. 5/21 of 29 April 2021.
In detail, the net financial indebtedness is broken down as follows:
A. Cash
B. Cash equivalents
C. Other current financial assets
D. Liquidity (A) + (B) + (C)
E. Current financial liabilities
F. Current portion of non-current financial liabilities
G. Current financial indebtedness (E) + (F)
H. Net current financial indebtedness (G) - (D)
I. Non-current financial liabilities
J. Debt instruments
K. Trade payables and other current liabilities
L. Non-current financial indebtedness (I) + (J) + (K)
M. Net financial indebtedness (H) + (L)
Financial assets and Financial liabilities
All financial assets and liabilities are initially recognised on the trading date, i.e. when the Group becomes a contractual party to the financial instrument. Financial instruments are initially measured at fair value plus or minus, in the case of financial assets or liabilities not at FVTPL, transaction costs directly attributable to the acquisition or to the issue of the financial instrument. Subsequently, their measurement and classification is based on the analysis of contractual cash flows and on the business model adopted by the Group for the management of these instruments. They can therefore be measured and classified as follows:

- ***Amortised cost****. They mainly include instruments such as loan assets and other loans granted by the Group. The amortised cost is decreased by impairment loss. Interest, determined using the effective interest method, exchange gains and losses and impairment losses are recognised in profit or loss for the year as are any gains or losses on derecognition.*
- ***Fair value through profit or loss for the year (FVTPL)*** *These instruments are recognised at fair value even after initial recognition and changes in fair value are recognised in profit or loss for the year. They include equity investments and derivative instruments not classified by the Group as hedging instruments.*
- ***Fair value through other comprehensive income (FVOCI)****. These instruments are recognised at fair value even after initial recognition. They mainly include debt securities, equities and derivative instruments classified by the Group as hedging instruments. Interest income calculated in accordance with the effective interest method, exchange gains and losses and impairment losses are recognised in profit or loss for the year; other net gains and losses are recognised in the Statement of Comprehensive Income. When the financial asset is derecognised, the gains or losses previously recognised in the Statement of Comprehensive Income are reclassified to the income statement.*

Financial assets and liabilities measured at amortised cost using the effective interest method or at FVTPL. Any changes to financial liabilities measured at FVTPL, including interest expense, are recognised in profit/(loss) for the year. In the case of financial liabilities subsequently measured at amortised cost, interest expense and exchange gains/(losses) are recognised in profit/(loss) for the year, as well as any gains or losses deriving from derecognition.
Financial assets and liabilities measured at amortised cost include loans, trade payables and other financial liabilities; those measured at FVTPL include derivative financial instruments. When a financial liability is derecognised, the difference between the carrying amount of the

extinguished financial liability and the price paid (including the assets not represented by cash transferred or the assumed liabilities) is recognised in the profit or loss for the year.

*Please refer to **Note 31 – Financial instruments** for further details.*

(EUR thousand)	31/12/2025	31/12/2024	Δ
A. Cash	103,522	185,243	(81,721)
B. Cash equivalents	266,442	330,009	(63,567)
C. Other current financial assets	66,781	449,795	(383,014)
D. Liquidity (A+B+C)	**436,745**	**965,047**	**(528,302)**
E. Current financial liabilities	(224,000)	(179,000)	(45,000)
E. Current financial liabilities – Instruments measured at fair value	-	-	-
E. Current financial liabilities - with companies belonging to the Group	(125,953)	(98,316)	(27,637)
F. Current portion of Debt instruments	(10,430)	(517,035)	517,035
F. Current portion of non-current financial liabilities – loans, borrowings	(4,444)	(6,018)	(8,856)
F. Current portion of non-current financial liabilities – current lease liabilities	(657)	(691)	34
G. Current financial indebtedness (E+F)	**(365,484)**	**(801,060)**	**435,576**
			-
H. Net current financial indebtedness (G-D)	**71,262**	**163,988**	**(92,726)**
I. Non-current financial liabilities	(494,320)	(419,041)	(75,279)
I. Non-current financial liabilities – Non-current lease liabilities	(742)	(1,105)	364
J. Debt instruments	(1,594,665)	(1,592,672)	(1,993)
K. Trade payables and other liabilities (instruments measured at fair value)	-	-	-
K. Trade payables and other liabilities	-	-	-
L. Non-current financial indebtedness (I+J+K)	**(2,089,727)**	**(2,012,819)**	**(76,908)**
M. Net financial indebtedness (H+L)	**(2,018,465)**	**(1,848,831)**	**(169,634)**

The net financial indebtedness, in line with the details provided on the topic in CONSOB Warning Notice no. 5/21 of 29 April 2021 and in the recent ESMA guidelines, is equal to EUR 2,018 million, up EUR 170 million compared to 31 December 2024.

Financial Strategy and Sustainable Finance

The ERG Group's financing strategy is focused on green and sustainable corporate finance instruments, in line with its development model.

Confirming the Group's strong commitment to sustainable finance, in June 2024, ERG S.p.A. updated its Green Bond Framework, which was rated by the Second Party Opinion issued by Moody's Ratings, an independent external advisor, which gave it the highest rating in terms of contribution to sustainability and alignment with principles. The Second Party Opinion specifically certified the compliance of ERG S.p.A.'s Framework with the four pillars of the International Capital Market Association Green Bond Principles 2021 (including Appendix I from June 2022) and with the criteria of the EU Taxonomy. Lastly, the Framework is consistent with the 2024-2026 Business Plan.

At 31 December 2025, the sources of Sustainable Finance, equal to EUR 2,095 million out of a total of financial sources equal to a nominal amount of EUR 2,095 million (EUR 2,520 million at 31 December 2024 out of a total of financial sources equal to a nominal amount of EUR 2,664 million), include:

- ***Green Bonds***,for a total of EUR 1,600 million (EUR 2,100 million at 31 December 2024), intended for the financing and refinancing of the construction and/or acquisition of wind and solar projects, as well as storage, in accordance with the recent Green Bond Framework. The decrease compared to 31 December 2024 relates to the full repayment, in April 2025, of the Green Bond issued in 2019 with a nominal value of EUR 500 million. Details of the bonds outstanding at 31 December 2025 are provided below:

(EUR)

Type of loan	ISIN	Coupon	Issue date	Expiry date	Issue price	Gross yield to maturity	Rating	Nominal amount	Carrying amount
Green Bond	XS2229434852	0.500%	11-set-20	11-set-27	99.21%	0.62%	Fitch: BBB-	500,000,000	498,881,109
Green Bond	XS2229434852	0.500%	23-dic-20	11-set-27	101.10%	0.33%	Fitch: BBB-	100,000,000	100,216,727
Green Bond	XS2386650274	0.875%	15-set-21	15-set-31	99.75%	0.90%	Fitch: BBB-	500,000,000	499,499,666
Green Bond	XS2853679053	4.130%	03-lug-24	03-lug-30	99.52%	4.22%	Fitch: BBB-	500,000,000	506,497,448
Green Bond	XS2853679053	4.130%	03-lug-24	03-lug-30	99.52%	4.22%	Fitch: BBB-	500,000,000	505,762,345
								1,600,000,000	**1,605,094,949**

The liability for bonds is presented net of commissions and other borrowing costs for an amount of EUR 7.3 million. These costs were recognised under financial expense in 2025 according to the amortised cost method in the amount of EUR 2.2 million, corresponding to the portion accrued for the year.
The carrying amount of the financial liability includes approximately EUR 12 million of interest accrued in the year. The coupon and gross yield to maturity of the 2024 bond do not take into account the positive effect of the pre-hedge entered into in 2020 at significantly more competitive rates to hedge the bond in question; accordingly, the related charge recognised in the income statement is lower.

- **Non-current loans and borrowings** (Senior Unsecured), totalling EUR 495 million (EUR 420 million, in nominal value, at 31 December 2024). Of this amount, EUR 420 million provides for a reward mechanism linked to the achievement of ESG targets and EUR 75 million relates to a new "Green Corporate Loan" entered into in the first half of 2025 under very competitive terms.

(EUR)

Disbursement	Type of loan	Maturity	Rate	Nominal amount	Carrying amount
2023	Sustainability bilateral linked loans	23/03/2028	IRS : Euribor 6M + Spread	130,000,000	131,130,478
2023	Sustainability bilateral linked loans	15/02/2028	IRS : Euribor 6M + Spread	100,000,000	100,609,166
2023	Sustainability bilateral linked loans	02/05/2028	IRS : Euribor 6M + Spread	100,000,000	100,329,553
2024	Sustainability bilateral linked loans	31/03/2029	IRS : Euribor 6M + Spread	90,000,000	90,410,305
2025	Green Corporate Term loan	23/04/2030	IRS : Euribor6M+Spread	75,000,000	75,237,734
				495,000,000	**497,717,236**

The above-mentioned "sustainability-linked" loans are fully hedged against interest rate risk for the entire notional amount, while the "Green Corporate Term Loan" remains on a variable interest rate.
The loans shown above are recognised net of ancillary charges recognised using the amortised cost method (EUR 1 million) and including interest accrued for the year (EUR 3.7 million) calculated without taking into account interest rate hedging transactions. The loans indicated above are subject to interest rate hedges for 100% of the notional amount.

In addition to the above drawn financial sources, ERG S.p.A. has internal credit lines available at 31 December 2025:
- an ESG-linked Revolving Credit Facility, with a three-year term and the possibility of extension for up to a further 12 months. The margin applied to the facility is subject to an adjustment mechanism based on the achievement of ESG targets. At 31 December 2025, these targets have been achieved. This facility, amounting to EUR 600 million, was fully available at 31 December 2025. It should be noted that the above-mentioned Facility was subject to an amendment concerning, among other things, the restoration of the original three-year duration together with two annual extension options, and the improvement of commercial terms & conditions.

Cash and cash equivalents

Relevant information on the accounting standards adopted and recognition and measurement criteria

Cash and cash equivalents are presented at their nominal amount. In accordance with IAS 7, the definition of cash equivalents comprises cash on hand and bank/postal deposits repayable on demand, together with short-term investments that are convertible to a known amount of cash. It also includes short-term investments whose reimbursement value is predetermined at the date of initial purchase/recognition.

The item, equal to EUR 369,964 thousand at 31 December 2025 (EUR 515,252 thousand at 31 December 2024) consists of cash generated by Company activities, deposited on a short-term basis at the banks with which the Group works.
In line with CONSOB provisions, in the Net Financial Indebtedness table this item is included in the item "A Cash" and "B Cash equivalents".

For an analysis of the increase in cash and cash equivalents, please refer to the **Statement of Cash Flows**.

Current and non-current financial assets measured at fair value

Current financial assets measured at fair value

This item, equal to EUR 5,067 thousand at 31 December 2025 (EUR 7,381 thousand at 31 December 2024), includes amounts due for derivatives hedging interest rate risk. The decrease is mainly attributable to the collection in 2025 for the closure of the Pre-hedge derivatives linked to the issue of the loan.
In line with CONSOB provisions, this item is not included in the Net Financial Indebtedness table.

Non-current financial assets measured at fair value

This item, equal to EUR 9,117 thousand at 31 December 2025 (EUR 12,251 thousand at 31 December 2024), includes amounts due for derivatives hedging interest rate risk.

The following is an overall breakdown of current and non-current financial assets measured at fair value at 31 December 2025.

ISSUING BANK	CONTRACT	MATURITY	FAIR VALUE ASSETS
(EUR thousand)			
Unicredit	IRS	31/12/2038	1,620
Unicredit	IRS	23/03/2028	2,451
Barclays	IRS	23/03/2028	115
Barclays	IRS	15/02/2028	3,366
Credit Agricole	IRS	30/04/2028	829
Credit Agricole	IRS	15/02/2028	4,174
Credit Agricole	IRS	15/02/2028	255
Credit Agricole	IRS	30/04/2028	1,373
Total			**14,183**

In line with CONSOB provisions, this item is not included in the Net Financial Indebtedness table.

Other current financial assets

Other current financial assets

This item, equal to EUR 66,781 thousand at 31 December 2025 (EUR 449,795 thousand at 31 December 2024), mainly consists of the current portion relating to the use of liquidity (EUR 60 million).

In line with CONSOB provisions, in the Net Financial Indebtedness table this item is included in the item "C. Other current financial assets".

Other current and non-current financial liabilities

Relevant information on the accounting standards adopted and recognition and measurement criteria

Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. The costs directly related to obtaining or issuing the liability are deducted from the carrying amount of the liability. These costs are then amortised over the life of the liability, using the effective interest rate method. The liability for bonds is presented net of commissions and other borrowing costs.
Some financial liabilities measured at amortised cost, mainly loans and borrowings, are hedged. This mainly refers to loans whose future cash flows are exposed to interest rate risk. For the measurement of these hedging instruments, please refer to ***Note 31 – Financial instruments***.

Other current financial liabilities

This item amounted to EUR 364,827 thousand at 31 December 2025 (EUR 800,369 thousand at 31 December 2024).
The item mainly includes:

- current positions referred to current accounts of credit lines for EUR 224,000 thousand;
- the accrued interest on outstanding bonds and the current portion of the relative amortised cost for an amount equal to EUR 10.430 thousand;
- liabilities to the subsidiary ERG Power Generation S.p.A. for the cash pooling relationship for EUR 119,105 thousand and EUR 905,610 thousand for interest accrued in the year in question;
- liabilities to ERG France Holding S.a.S. for the cash pooling relationship in the amount of EUR 4,724 thousand; and
- liabilities to ERG Spain Holdco for the cash pooling relationship for EUR 1,190 thousand and EUR 7.9 thousand for interest accrued in the period in question.

In line with CONSOB provisions, in the Net Financial Indebtedness graph this item is under the item "E. Current financial liabilities" for current credit lines (EUR 224,000 thousand), under the item "F. Current portion of Debt instruments" for the amount of EUR 10,430 thousand, under the item "E. Current financial liabilities - with companies belonging to the group" for the amount of EUR 125,953, and under the item "F. Current portion of non-current financial debt – loans, borrowings" for the residual amount of EUR 4,444 thousand.

Other non-current financial liabilities
This item amounted to EUR 2,088,985 thousand at 31 December 2025 (EUR 2,011,713 thousand at 31 December 2024).

In line with CONSOB provisions, in the Net Financial Indebtedness table this item is included in the item "J. Debt instruments" for the part relating to bonds (EUR 1,594,665 thousand) and the item "I. Non-current financial liabilities" for the part relating to corporate loans (EUR 494,320 thousand).

Current and non-current lease liabilities
Financial liabilities arising as a result of the application of IFRS 16 totalled EUR 1,399 thousand, EUR 742 thousand of which non-current and EUR 657 thousand current.

These liabilities refer to the present value of payments due and not paid at the lease inception date plus implicit interest accrued on these liabilities and less payments made during the period.

In line with CONSOB provisions, in the Net Financial Indebtedness table these items are included in the item "F. Current portion of non-current financial liabilities – current lease liabilities" and in the item "I. Non-current financial liabilities – Non-current lease liabilities".

NOTE 17 – OTHER CURRENT LIABILITIES

(EUR thousand)	31/12/2025	31/12/2024
Tax liabilities	4,572	4,112
Employees	3,892	3,726
Pension and social security institutions	2,277	2,156
Other current liabilities	935	1,092
TOTAL	**11,676**	**11,086**

"Tax liabilities" relate mainly to employee IRPEF deductions for approximately EUR 721 thousand and the VAT liability with to the tax authorities for approximately EUR 3,749 thousand.
"Employees" refer to the accruals for the year not yet paid and include holidays, unused time off "in lieu", productivity bonus and bonuses tied to the Management Compensation Plan. "Pension and social security institutions" pertain to accrued contributions on wages and salaries for the month of December 2025.

NOTE 18 - CURRENT TAX LIABILITIES

(EUR thousand)	31/12/2025	31/12/2024
Current tax liabilities	9,096	12,292

"Current tax liabilities" include:
- other liabilities with to subsidiaries for IRES that have generated deductible amounts within the scope of the "Tax Consolidation Scheme" (EUR 6,517 thousand);
- other current laibilities for IRES owed by the group to the tax authorities as part of the "Tax Consolidation" (EUR 2,579 thousand).

NOTE 19 - GUARANTEES, COMMITMENTS AND RISKS

(EUR thousand)	31/12/2025	31/12/2024
Sureties provided by ERG for group companies in favour of third parties	471,271	471,071
Sureties provided by banks/insurance companies for group companies in favour of third parties	279,133	326,166
Sureties provided by ERG in favour of third parties	43,911	43,911
Commitment to third parties	14,162	12,192
Total	**808,477**	**853,340**

It should be noted that ERG S.p.A. issued Parent Company Guarantees for Group companies in favour of third parties relating mainly to power purchase and sale agreements, Group VAT and to guarantee VAT refunds requested by certain subsidiaries for approximately EUR 471 million.
Sureties provided by banks/insurance companies for Group companies amount to approximately EUR 279 million.
Sureties provided in favour of third parties relate to B2G Sicily S.r.l. (formerly Erg Power S.r.l.) sold by the ERG Group in 2023, for which mainly sureties for Group VAT are still outstanding.
Commitments to third parties consist mainly of commitments for the management of information systems, in particular pertaining to software, hardware and support.

INCOME STATEMENT ANALYSIS

NOTE 20 – REVENUE

Relevant information on the accounting standards adopted and recognition and measurement criteria

The Company recognises the sale of a good or the performance of a service based on the value that exactly reflects the portion of the price attributable to each revenue component, with reference to the price paid by the customer who expects to receive that good produced or that service rendered.

The most innovative aspect of IFRS 15 pertains to the fact that an entity must recognise the sale of a good or the performance of a service based on a value that exactly reflects the part of a price attributable to each revenue component, with reference to the price paid by the customer who expects to receive that good produced or that service rendered.

The methodological approach that should entail this type of recognition comprises five fundamental steps:

1. *Identifying the contract with a customer: in general, a contract exists when the agreements reached with a customer are such as to generate obligations that must be fulfilled by the parties involved;*
2. *Identifying the performance obligations in the contract: an entity shall recognise revenue individually for each good or service as a separate obligation if these assets or services are distinct from each other. The criteria to define whether a good or service can be considered distinct are i) the customer can benefit from the good or service both individually and in combination with other resources and the goods are available and ii) the good or service can be separated from other obligations or promises that are not dependent or connected to other contractual elements;*
3. *Determining the transaction price: understood as the amount, which the entity expects to receive as a result of the sale of the goods or of the services rendered to customers;*
4. *Allocating the transaction price to the performance obligation(s): the price must be allocated to each distinct good or service. This allocation is based on the stand-alone selling price;*
5. *Recognising the revenue only when the performance obligation is satisfied.*

Gross operating profit (loss) and Operating profit (loss)

Gross operating profit and operating profit (loss) are determined by the operating activities of the Company that generate continuing revenue and by the other income and costs related to the operating activities. The gross operating profit does not include net financial expense, the company's share of the profit of equity-accounted investees, income taxes and depreciation, amortisation and impairment losses on intangible assets, property, plant and equipment and right-of-use assets. The operating profit (loss) is equal to the gross operating profit (loss) less amortisation, depreciation and impairment losses on intangible assets, property, plant and equipment, and right-of-use assets.

Revenue from services amounting to EUR 39.6 million (EUR 38.7 million in 2024) refers mainly to charges for services provided to subsidiaries. The structure of the service agreements is based on the allocation of a part of the costs incurred by the Company and on the application of a single weighted driver for the allocation of all the costs identified. The margin of the company is ensured by the application of a mark-up deemed suitable to ensure adequate profitability.

NOTE 21 – OTHER INCOME

(EUR thousand)	2025	2024
Other income	2,874	5,394
Other income from Group companies	596	683
Reimbursement of expenses	284	141
Total	**3,754**	**6,219**

"Other income from Group companies" pertains essentially to other reimbursements and charges to Group companies, tied to various consultancy services and special projects. In 2024, this item mainly included the capital gain arising from the sale, at market prices, of works of art owned by the Company to a related party.

NOTE 22 – PURCHASES

(EUR thousand)	2025	2024
Purchases	186	240

NOTE 23 – SERVICES AND OTHER COSTS

(EUR thousand)	2025	2024
Services	24,683	25,136
Provision for risks and charges	1,697	3,968
Rental, lease and hire expenses	3,946	3,568
Other operating costs	2,140	1,655
Taxes and duties	805	1,077
TOTAL	**33,271**	**35,404**

Services are broken down as follows:

(EUR thousand)	2025	2024
IT services	4,714	7,248
Directors' and Statutory Auditors' remuneration	6,847	6,756
Consultancy	5,604	3,511
Other services	3,078	2,436
Personnel services	2,073	2,375
Utilities and consumption	1,495	1,585
Insurance	624	944
Advertising and promotions	248	282
TOTAL	**24,683**	**25,136**

The item includes mainly costs for consultancy, remuneration to Directors and Statutory Auditors.
"Other services" include the services performed by other Group companies, EDP services from third parties, services for personnel, and other services performed.
The item "Directors' and Statutory Auditors' remuneration" includes also the portion of the cost pertaining to the 2024-2026 Long-Term Incentive Plan. In accordance with IFRS 2 – Share-Based Payment, following the implementation of the aforementioned Incentive Plan with reference to the Directors, the portion of the cost accrued was recognised under costs for services. For further details, please refer to **Note 24 – Personnel expense**.

NOTE 24 – PERSONNEL EXPENSE

Relevant information on the accounting standards adopted and recognition and measurement criteria

The Company has transactions in place with share-based payments settled with equity instruments as part of the remuneration and incentive policy for certain employees (known as the 2024-2026 LTI Plan). Pursuant to IFRS 2, the company recognises the services rendered by employees throughout the period of time in which the conditions of continued service and the achievement of certain objectives must be met (vesting period) by recognising their value in the income statement under the item "Personnel expenses" and a corresponding increase in a specific item of equity, based on the fair value of the equity instruments (ERG S.p.A. shares) recognised at the inception date.

The overall cost recorded is subsequently subject to adjustment at each reference date of the financial statements until the vesting date to reflect the best available estimate of the number of equity instruments for which it is expected that the conditions of continued service and the achievement of certain objectives other than the so-called 'market conditions' will be met at the end of the vesting period.

(EUR thousand)	2025	2024
Wages and salaries	20,761	20,288
Social security expenses	5,201	4,976
Post-employment benefits	1,106	708
Other costs	707	700
Total	**27,775**	**26,671**

The cost for post-employment benefits pertains mainly to the portion of benefits relating to defined contribution plans. The cost also includes the contributions paid to defined contribution plans in favour of key managers, for the details of which please see the Related Parties section.

"Other costs" include additional post-employment benefits.

The following table shows the breakdown of the ERG S.p.A. personnel (average headcount during the year).

	2025	2024
Senior managers	27	26
Middle management	115	113
White-collar workers	83	87
Total	**225**	**226**

At 31 December 2025, the company had a total of 225 employees.

It should be noted that, in accordance with **IFRS 2 – Share-Based Payment,** following implementation of the 2024-2026 Long-Term Incentive Plan, with reference to employees, the cost of these instruments accruing in 2025 was recognised under "Personnel expense".

Share-based payment

On 23 April 2024, the Shareholders' Meeting of ERG S.p.A. approved the 2024-2026 Long-Term Incentive Plan, according to the conditions provided for in the relevant Information Document.

The Plan calls for the assignment of a predefined number of ERG S.p.A. Shares, free of charge (hereafter, "Performance shares"), at the end of a three-year vesting period, subject to the attainment of a minimum predetermined economic performance (non-market condition). The performance parameter approved by the Board of Directors refers to the cumulative 2024-2026 Group gross operating profit of the Business Plan. According to the Regulation, this operating condition may be changed in light of changes in the consolidation scope or other significant events.

At the end of the vesting period, 30% of the Shares allocated will be subject to an additional lock-up period of twelve months, which will conclude in 2028, during which said shares are subject to the non-transferability constraint. The shares assigned represent the conditional rights that are the subject of the Plan, free of charge and non-transferable inter vivos, each of which gives the Beneficiaries the right to be assigned free of charge 1 (one) share according to the terms and conditions contained in the Regulations.

The Plan provides that the Shares assigned will only vest – thus becoming Shares Allocated – subject to the occurrence of the Minimum Economic Performance Condition as ascertained by the Board of Directors upon approval of the Company's financial statements at 31 December 2026.

Upon achievement of the Minimum Economic Performance Condition, the number of Shares that can be allocated will depend on the results achieved with respect to the objectives: 60% ERG Share, 20% Growth and 20% Sustainability. The incentive strategy for each objective can be summarised as follows:

ERG share objective: the shares that can be allocated may vary by interpolation from a minimum of 60% up to a maximum of 220% of the shares assigned based on the final price, i.e. the ERG share price calculated as the average of the official stock exchange price in the period between 16 November 2026 and 15 February 2027.

Sustainability Objective: the shares that can be allocated may vary from a minimum of 0% up to a maximum of 40% of the shares assigned according to the following scheme: 0% (sub-threshold performance), 10% (threshold performance), 20% (target performance), 40% (performance cap). For intermediate scenarios between the performance threshold and the target performance, and between the target performance and the performance cap, the number of Shares that can be allocated is determined on the basis of linear Interpolation.

Growth Objective: the shares that can be allocated may vary from a minimum of 0% up to a maximum of 40% of the shares assigned according to the following scheme: 0% (sub-threshold performance), 10% (threshold performance), 20% (target performance), 40% (performance cap). For intermediate scenarios between the performance threshold and the target performance, and between the target performance and the performance cap, the number of Shares that can be allocated is determined on the basis of linear Interpolation. Within the framework of the information document approved by the shareholders' meeting, the Board of Directors in its meeting of 15 May 2024 defined the regulations of the Plan and determined the objectives of the Plan in the different performance scenarios. The estimate of the fair value, which is independent of the non-market activation conditions (achievement of the Target gross operating profit, Growth Objective and Sustainability Objective) as defined by IFRS 2, was carried out by applying the Monte Carlo method, thus identifying a range of values and taking their average value into consideration.

The assessment exercise was carried out formulating the following assumptions:

- *Volatility (21%): median of historical volatility at 180 days of the panel of ERG share comparables;*
- *Dividend Yield: estimated on the basis of the dividends forecast in the plan for the three-year time period 2024-2026, i.e. EUR 1 per share, as a percentage of share price;*
- *Distribution of growth and sustainability targets were appropriately modelled by a lognormal distribution;*
- *Time to maturity: in accordance with the provisions of the regulation of the financial instrument, the derivative was assumed to have a duration of three years.*

In application of the above, the overall fair value of the incentive plan was identified as approximately EUR 13.1 million, a value deemed appropriate also in light of the sensitivities performed on the main inputs of the measurement model. This amount refers for 42% to the Directors and for the remainder to Group employees. The fair value of the Plan is recognised on an accruals basis in 2024.

NOTA 25 - AMORTISATION AND DEPRECIATION OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Other intangible assets are amortised over a maximum period of 5 years.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful life.

(EUR thousand)	2025	2024
Amortisation of intangible assets	1,673	1,848
Depreciation of right-of-use assets	807	784
Depreciation of property, plant and equipment	686	676
TOTAL	**3,167**	**3,307**

Note that the effect deriving from the application of IFRS 16 on the amortisation and depreciation for the year on leased assets amounts to approximately EUR 0.8 million.

NOTE 26 – NET FINANCIAL INCOME (EXPENSE)

	2025			2024		
(EUR thousand)	Financial income	Financial expense	Net	Financial income	Financial expense	Net
Bank interest income (expense) on current accounts	15,134	(2)	15,132	24,786	(35)	24,752
Financial income (expense) on interest rate derivatives – differential	11,729	(5,095)	6,634	15,079	(3,032)	12,047
Interest expense on loans/bond issues to third parties		(49,450)	(49,450)		(48,841)	(48,841)
RCF – fees	-	(1,726)	(1,726)	-	(1,910)	(1,910)
Liquidity management/Cost of debt	**26,863**	**(56,272)**	**(29,409)**	**39,865**	**(53,818)**	**(13,953)**
Other interest income (expense)	219	(948)	(729)	286	(3,297)	(3,011)
Change in fair value	6,014	(1,024)	4,990	5,203	(1,578)	3,625
Amortised cost on loans and bond issues	92	(2,642)	(2,550)	92	(2,740)	(2,648)
IFRS 9 Income (Charges)	270	-	270	-	(229)	(229)
Interest income (expense) on lease liabilities	1	(38)	(37)	-	(39)	(39)
Exchange gains (losses)	97	(11)	86	3	(69)	(66)
Other income/(expense)	**6,694**	**(4,663)**	**2,031**	**5,584**	**(7,952)**	**(2,368)**
Total	**33,557**	**(60,936)**	**(27,379)**	**45,449**	**(61,771)**	**(16,321)**

The amount of **bank interest income** pertains to the use of liquidity available in deposit and current accounts.
With reference to **interest expense on bank borrowings and bond issues**, the change in interest expense is mainly due to the increase in interest rates compared to the comparative period. This change is effectively hedged under the item Financial income (expense) on interest rate derivatives – differential.
With reference to **Revolving Credit Facilities fees**, these refer to the cost for maintaining the line during 2025.
Other interest income mainly includes interest from subsidiaries and financial income from the purchase, at a discount, of tax credits offset during the year against social security liabilities (EUR 145 thousand). The decrease in other interest expense is attributable to the decrease in the indebtedness relating to the cash pooling relationship with the subsidiaries.
The **change in fair value** includes the effects of derivative instruments hedging the current interest rate fluctuation risk.
The item **Amortised cost on loans and bond issues** includes the adjustment to the effective interest rate of loans and bond issues.
The item **IFRS 9 Income (expense)** includes the adjustment of expected losses on liquidity and guarantees.

NOTE 27 - NET GAINS (LOSSES) ON EQUITY INVESTMENTS

(EUR thousand)	2025	2024
Dividends and other income from subsidiaries	70,000	60,000
Dividends and other income from other companies	-	40
Impairment and capital losses from equity investments	(118)	(637)
TOTAL	**69,882**	**59,403**

"Dividends and other income from subsidiaries" refers to the dividends distributed by ERG Power Generation S.p.A.

"Impairment and capital losses from equity investments" includes mainly the adjustment of the provisions for charges on equity investments for EUR 118 thousand relating to ERG Petroleos S.A., in view of its deficit, as discussed in more detail in the note on Equity Investments.

NOTE 28 – INCOME TAXES

Relevant information on the accounting standards adopted and recognition and measurement criteria

The tax expense for the year comprises deferred tax assets and liabilities recognised in the profit or loss for the year, with the exception of items recognised directly in equity or other comprehensive income.
The Company determined that the interest and the penalties relating to income taxes, including the accounting treatments to be applied to income taxes of an uncertain nature, are recognised in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets because they do not match the definition of income taxes.

Current taxes

Current taxes are accrued based on the estimated tax expense for the year, also taking into account the effects relating to the participation of most Group companies in the tax consolidation scheme.
On 22 December 2022, the text of Directive no. 2022/2523/EU was published in the Official Journal of the European Union, which provides for the transposition into EU legislation of the rules on the Global Minimum Tax envisaged by Pillar 2 prepared by OECD as part of Action 1 of the BEPS ("Base Erosion and Profit Shifting") project. This Directive was transposed into Italian law by Legislative Decree no. 209 of 27 December 2023, which entered into force on 29 December 2023. The aim is to limit harmful tax competition between countries by setting the minimum level of effective taxation at an aggregate level per country to 15% from 2024. The ERG Group falls within the scope of application of the regulation. The 'Global Minimum Tax' regulation, for 2025, had no impact on the average effective tax rate of the company ERG S.p.A.

(EUR thousand)	2025	2024
Benefit from tax consolidation	(6,885)	(5,124)
Deferred IRES	(0)	(9)
Previous year taxes	37	(43)
Changes in deferred tax assets	(73)	37
TOTAL	**(6,921)**	**(5,138)**

Income taxes, positive in the amount of EUR 6,921 thousand, express the net effect between the remuneration of the tax loss and non-deductible interest expense transferred to the tax consolidation scheme for the 2025 tax year (EUR 6,885 thousand) and the change in the deferred tax assets and liabilities recognised for IRES purposes.
The change in deferred tax assets is mostly determined by uses in the year and relates solely to IRES. IRAP deferred tax assets have not been allocated since no positive IRAP taxable bases are expected in the coming years.
The statement of financial position entries deriving from the tax consolidation scheme are summarised below
:

(EUR thousand)	31/12/2025	31/12/2024
Due from Group companies (to tax liabilities)	21,348	23,388
Due to Group companies (to tax assets)	(6,517)	(12,292)
Credit (debt) position of ERG S.p.A.	(12,252)	(11,934)
TOTAL	**2,579**	**(838)**

Reconciliation between effective and theoretical tax expense

The reconciliation between effective and theoretical tax expense is provided below.

(EUR thousand)		
IRES	**Taxable amount**	**Tax**
Profit before taxes	21,429	
Theoretical taxation (24%)		**5,143**
Temporary differences taxable in subsequent years		
Total	-	
Temporary differences deductible in subsequent years		
Allocation to provisions	1,192	
Directors' remuneration not paid during the year	709	
Other increases	5	
Total temporary differences deductible in subsequent years	**1,906**	**457**
Reversal of temporary differences from previous years		
Release of provisions taxed in previous years	(178)	
Return of exchange rate differences taxed in previous years		
Remuneration of directors of previous years paid during the year	(650)	
Other decreases	(773)	
Total reversal of temporary differences from previous years	**(1,601)**	**(384)**
Differences that will not be reversed in subsequent years		
Dividend income collected during the year	(66,499)	
Costs for motor vehicles	320	
Non-deductible interest expense	26,513	
Contingent liabilities	772	
Impairment losses on equity investments	118	
Other increases	1,681	
Other decreases	(64)	
Differences that will not be reversed in subsequent years	**(37,159)**	**(8,918)**
Consolidation adjustments		
Use of tax losses from previous years		
Income from consolidation for the transfer of interest expense to the consolidated company	(13,257)	
Total consolidation adjustments	**(13,257)**	**(3,182)**
IRES taxable/current IRES	**(28,682)**	**(6,884)**

The difference between the value of permanent tax adjustments recorded in 2025 (EUR -37,159 thousand) and those in 2024 (EUR -37,142 thousand) includes the effects of the increase in the downward adjustment relating to dividends received from subsidiaries (with a change in taxable income of EUR -9,461 thousand), the reduction in the amount of permanent tax adjustments (with a change in taxable income of EUR 4,456 thousand), and the increase in non-deductible interest expense (with a change in taxable income of EUR 13,818 thousand).

NOTE 29 – NON-RECURRING ITEMS

As required by CONSOB resolution no. 15519 dated 27 July 2006, significant income and expense arising from non-recurring transactions or events that do not occur frequently in the ordinary course of business are presented below. Also pursuant to the aforementioned CONSOB resolution, the amounts related to the positions and transactions with related parties are indicated separately in **Note 30 – Related parties**.

(EUR thousand)		2025	of which related parties		2024	of which related parties
Revenue from sales and services		-			-	
Other income	1)	517			4,144	4,144
Total revenue – special items		**517**			**4,144**	
Purchases		-			-	
Change in inventories		-			-	
Services and other costs	2)	(5,134)	-	1)	(8,328)	-
Personnel expense		-	-		-	-
Gross operating profit (loss) – special items		**(4,617)**			**(4,184)**	
Amortisation, depreciation and impairment of non-current assets						
Operating profit (loss) – special items		**(4,617)**			**(4,184)**	
Net financial income (expense)		-		2)	-	
Net gains (losses) on equity investments	3)	(118)		3)	(625)	(625)
Profit (loss) from ordinary operations		**(4,735)**			**(4,809)**	
Income taxes	4)	1,112		4)	1,033	
Profit (loss) from continuing operations generated by special items		**(3,623)**			**(3,776)**	
Profit (loss) from discontinued operations generated by special items		**-**			**-**	
Profit (loss) generated by special items		**(3,623)**			**(3,776)**	
Non-controlling interests		-			-	
Profit (loss) generated by special items attributable to the owners of the parent		**(3,623)**			**(3,776)**	

In **2025**

1) other income refer to a reimbursement from third parties resulting from a claim relating to divested businesses (integrated downstream)
2) services and other costs refer to costs related to the provision for disposed businesses, charges relating to unsuccessful projects and costs relating to M&A;
3) net gains (losses) on equity investments relate to the increase in the loss allowance relative to Petroleos, in liquidation;
4) income taxes refer to the tax effect of the items discussed above.

In **2024**

1) other income refers to the capital gain from the sale of artworks to a related party, carried out at market prices, completed during 2024;
2) services and other costs refer to costs related to the provision for disposed businesses, charges relating to unsuccessful projects and costs relating to M&A;
3) net gains (losses) on equity investments relate to the increase in the loss allowance relative to Petroleos, in liquidation;
4) income taxes refer to the tax effect of the items discussed above.

NOTE 30 – RELATED PARTIES

Relevant information on the accounting standards adopted and recognition and measurement criteria

Related parties are mainly those that share the same parent with ERG S.p.A., the companies that directly or indirectly, through one or more intermediaries, control, are controlled by, or are subjected to joint control by ERG S.p.A. and those in which ERG S.p.A. has an investment.

The definition of related parties also includes key managers and their close relatives, of ERG S.p.A. and of its subsidiaries. Key managers are those who have the power and the direct or indirect responsibility for planning, managing, and controlling the activities of the parent and they include its Directors.

As required by CONSOB resolution 17221 dated 12 March 2010, as amended, the amounts relating to positions and transactions with related parties are indicated below.
The transactions carried out by ERG S.p.A. with related parties pertain mainly to:

- the performance of services, the provision and use of financing;
- contributions to non-corporate parties, referred to ERG, that pursue humanitarian, cultural and scientific initiatives. In particular, the Edoardo Garrone Foundation, established as a natural evolution of the engagement of the Garrone and Mondini families in the social and cultural fields, dedicated to the memory of Edoardo Garrone who, in 1938, launched the industrial activity of the ERG Group.

Most of these transactions are exempted from the application of the internal ERG regulation **Procedure for Related Party Transactions**, issued to implement the CONSOB regulation, because they are ordinary transactions concluded at market or standard conditions, or because they are below the threshold of materiality prescribed by the procedure itself.
All transactions were carried out in the interest of the Group and, with the exception of the transactions with entities pursuing humanitarian, cultural and scientific initiatives, are included under ordinary operations. The amount paid to the **Edoardo Garrone Foundation** as a contribution for 2025 amounted to EUR 100 thousand.
It should be noted that in 2025 there were no changes in the scope of the companies participating in the National Tax Consolidation of ERG S.p.A. The group of companies already belonging to this scheme has therefore remained unchanged for the 2025 tax year.
With regard to the terms of the contractual arrangements that could provide for the parent or its subsidiaries to provide financial support to a consolidated structured entity, please refer to **Note 19 – Guarantees, commitments and risk**s.

Impact of transactions or positions with related parties on the Statement of Financial Position

The most significant dealings with joint ventures, associates and subsidiaries pertain to:

- loan assets with ERG Petroleos S.A. within the scope of the related loan agreement.

The impact of transactions or positions with related parties on the statement of financial position is indicated in the following table (amounts in EUR thousand):

2025 – Statement of Financial Position – Assets

	Trade receivables	Other current assets	Current tax assets	Current financial assets/Current financial assets measured at fair value
ERG Power Generation S.p.A.	46,730		9,832	
ERG Eolica San Vincenzo S.r.l.			1,421	
ERG Eolica Faeto S.r.l.			656	
ERG Eolica Ginestra S.r.l.			284	
ERG Eolica Tirreno S.r.l.				
Parc Eolien de la Bruyére S.a.s.	0			
Parc Eolien les Mardeaux S.a.s.	0			
Parc Eolien de Lihus S.a.s.	0			
Green Vicari S.r.l.			453	
ERG Eolica Fossa del Lupo S.r.l.			3,519	
ERG Eolica Adriatica S.r.l.			2,881	
ERG Eolica Campania S.r.l.			2,113	
ERG Germany GmBH				
ERG France S.a.r.l.		30		
Corni Eolian S.A.	10			
ERG Petroleos S.A.				1,095
ERG France Holding S.a.s.				
Epuron S.a.s.	2			
ERG UK Holding Ltd	8			
ERG Spain HoldCo S.L.U.	47	26		24
Ginestra S.r.l.			187	
Breva Wind S.r.l.				
ERG Sviluppo Italia S.r.l.				
ERG USA Holding, Inc.	359			
Mulligan Solar, LLC	8			0
Great Pathfinder Wind, LLC	202			0
Total	**47,366**	**56**	**21,348**	**1,120**
% of total item	100.10%	0.25%	100.00%	1.56%

2025 – Statement of Financial Position – Liabilities

	Trade payables	Current financial liabilities	Current tax liabilities	Other current liabilities
ERG Power Generation S.p.A.	26	120,011		
ERG France Holding S.a.s.		4,745		-
ANDROMEDA PV S.r.l.			581	
ERG Sviluppo Italia S.r.l.			133	
Fattoria Solare Futurasun S.r.l.			7	
ERG Eolica Tirreno S.r.l.			128	
ERG Wind Bulgaria S.r.l.			8	
Ginestra S.r.l.				
ISAB Energy Solare S.r.l.			22	
ERG Spain HoldCo S.L.U.		1,197		
Breva Wind S.r.l.			5,640	
Directors and Statutory Auditors				773
Key Managers				942
Key Managers	**26**	**125,953**	**6,517**	**1,715**
% of total item	0.30%	34.52%	71.65%	14.69%

Impact of transactions or positions with related parties on the income statement

The impact of related party transactions on income statement items is indicated in the following table (amounts in EUR thousand):

2025 – Income Statement – Income

	Revenue from sales and services	Other revenue and income	Financial income
ERG Power Generation S.p.A.	39,101	18	
ERG Germany GmBH		-	
ERG France S.a.r.l.		254	
ERG France Holding S.a.s.			
ISAB Energy Solare S.r.l.		36	
ERG Petroleos S.A.			50
Andromeda PV S.r.l.	8		
ERG Spain HoldCo S.L.U.		43	24
ERG Sviluppo Italia S.r.l.	10		
ERG USA Holding, Inc.		244	
Mulligan Solar, LLC	32		
Great Pathfinder Wind, LLC	414		
San Quirico S.p.A.	5	-	
Total	**39,569**	**595**	**74**
% of total item	100.00%	15.85%	0.22%

2025 – Income Statement – Expenses

	Purchases	Services and other costs	Personnel expense	Financial expense
ERG Power Generation S.p.A.		81		906
ERG France Holding S.a.s.				21
ERG Spain HoldCo S.L.U.				8
Edoardo Garrone Foundation		100		
San Quirico S.p.A.				
Directors and Statutory Auditors		6,744		
Key Managers			2,911	
Total	**-**	**6,925**	**2,911**	**934**
% of total item	0.00%	20.81%	10.48%	1.53%

Details of the remuneration of key figures are provided below (amounts in EUR thousand):

Directors

(EUR thousand)	2025	2024
Short-term benefits	4,762	4,761
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination of employment	-	-
Share-based payments	1,825	1,825
Total	**6,587**	**6,586**

Key Managers

(EUR thousand)	2025	2024
Short-term benefits	1,969	1,967
Post-employment benefits	136	144
Other long-term benefits	-	-
Termination of employment	-	-
Share-based payments	976	976
Total	**3,081**	**3,087**

NOTE 31 – FINANCIAL INSTRUMENTS

Relevant information on the accounting standards adopted and recognition and measurement criteria

Derivative financial instruments

Derivative financial instruments, including embedded derivatives, subject to separation from the main contract, are assets and liabilities recognised at fair value.

Existing forward transactions and derivative instruments are classified as follows:

1. ***derivative instruments that can be defined as hedges pursuant to IFRS 9** this includes (i) cash flow hedges (CFH) on interest rates, exchange rates and commodities and (ii) fair value hedges (FVH) on commodities (price and exchange rate);*
2. ***forward transactions and derivative instruments that cannot be defined as hedges pursuant to IFRS 9**, rmeeting the requirements of compliance with the company policies for the management of risk on exchange rates and energy commodities.*

The Group carries out the basis adjustment, reclassifying the effective portion of the hedge to adjust the initial recognition value of the hedged item, in the case of cash flow hedges of non-financial elements. For all cash flow hedges, including those of transactions involving the recognition of a non-financial asset or liability, the cumulative gain or loss in the hedging reserve was reclassified to profit or loss for the year in the same year or in the same years in which the hedged expected future cash flows have an effect on profit or loss.

Fair value hierarchy according to IFRS 13

In measuring the fair value of an asset or a liability, the Group uses, insofar as it is possible, observable market data. Fair values are categorised in various hierarchical levels according to the input data used in the measurement techniques, as illustrated below.

- *Level 1: quoted prices (unadjusted) for identical assets or liabilities in active markets.*
- *Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).*
- *Level 3: unobservable inputs for the asset or liability.*

The Company recognises the transfers between the various levels of the fair value hierarchy of the event or of the change in the circumstances that determined the transfer in which the transfer took place.

Estimates and assumptions are revised periodically and the effects of each change are reflected in the Income Statement in the period in which the change took place.

The following table shows, for each financial asset and liability, the carrying amount and the fair value. Information on the fair value of financial assets and liabilities not measured at fair value is excluded, when the carrying amount represents a reasonable approximation of fair value.

31/12/2025

(EUR thousand)	Fair value – Hedging instruments	FVTPL instruments	FVOCI instruments	Financial assets measured at amortised cost	Financial liabilities	Total Carrying Amount	Fair value
Equity investments		453	-	-	-	453	453
Derivative instruments	14,183	-	-	-	-	14,183	14,183
Current financial assets	-	-	-	66,781	-	66,781	66,781
Trade receivables	-	-	-	47,319	-	47,319	47,319
Financial securities under current financial assets	-	-	-	-	-	-	-
Other assets	-	-	-	28,264	-	28,264	28,264
Cash and cash equivalents	-	-	-	369,964	-	369,964	369,964
Total assets	**14,183**	**453**	**-**	**512,328**	**-**	**526,965**	
Loans and borrowings	-	-	-	-	497,717	497,717	498,271
Bonds	-	-	-	-	1,605,095	1,605,095	1,529,861
Centralised treasury liabilities	-	-	-	-	125,953	125,953	125,953
Current bank loans and borrowings	-	-	-	-	225,047	225,047	225,047
Lease liabilities	-	-	-	-	1,399	1,399	1,399
Trade payables	-	-	-	-	8,469	8,469	8,469
Other liabilities	-	-	-	-	11,676	11,676	11,676
Total liabilities	**-**	**-**	**-**	**-**	**2,475,355**	**2,475,355**	

31/12/2024

(EUR thousand)	Fair value – Hedging instruments	FVTPL instruments	FVOCI instruments	Financial assets measured at amortised cost	Financial liabilities	Total Carrying Amount	Fair value
Equity investments		453	-	-	-	453	453
Derivative instruments	19,632	-	-	-	-	19,632	19,632
Current financial assets	-	-	-	449,795	-	449,795	449,795
Trade receivables	-	-	-	6,900	-	6,900	6,900
Financial securities under current financial assets	-	-	-	-	-	-	-
Other assets	-	-	-	28,679	-	28,679	28,679
Cash and cash equivalents	-	-	-	515,252	-	515,252	515,252
Total assets	**19,632**	**453**	**-**	**1,000,626**	**-**	**1,020,712**	
Loans and borrowings	-	-	-	-	423,339	423,339	472,863
Bonds	-	-	-	-	2,109,707	2,109,707	2,275,219
Centralised treasury liabilities	-	-	-	-	98,316	98,316	98,316
Current bank loans and borrowings	-	-	-	-	180,719	180,719	180,719
Lease liabilities	-	-	-	-	1,796	1,796	1,796
Derivative instruments	-	-	-	-	-	-	-
Trade payables	-	-	-	-	9,839	9,839	9,839
Other liabilities	-	-	-	-	11,086	11,086	11,086
Total liabilities	**-**	**-**	**-**	**-**	**2,834,804**	**2,834,804**	

The following table provides an analysis of the derivative financial instruments measured at fair value, grouped in levels from 1 to 3 based on the degree to which their fair value can be observed:

- level 1, the fair value is determined from prices quoted on active markets;
- level 2, the fair value is determined using measurement techniques based on variables which are directly (or indirectly) observable on the market;
- level 3, the fair value is determined using measurement techniques based on significant variables that cannot be observed on the market.

(EUR thousand)	Level 1	Level 2	Level 3
Financial assets			
- FVTPL instruments	-	-	-
- FVOCI instruments	-	-	-
- Fair value – Hedging instruments	-	14,183	-
- Financial assets measured at fair value	-	-	-
Total	**-**	**14,183**	**-**

Financial liabilities			
- Fair value – FVTPL instruments		-	
- Fair value – Hedging instruments	-	-	-
- Other financial liabilities	1,529,861	498,271	-
Total	**1,529,861**	**498,271**	**-**

The amount of other financial liabilities classified as "Level 1" (EUR 1,530 million) relates to the payable at maturity of bonds.
The amount of other financial liabilities classified as "Level 2" (EUR 498 million) relates to the payable a maturity of corporate loans.

NOTE 32 – DISCLOSURE ON RISKS

The main risks identified and actively managed by ERG S.p.A. are the following:

- the credit risk, which highlights the possibility of default of a counterparty or any impairment of the assigned credit rating;
- the liquidity risk, the risk of available financial resources being insufficient to fulfil payment commitments.

ERG S.p.A. attributes great importance to the identification and measurement of the risks and to the connected control systems, in order to ensure an efficient management of the assumed risks. Consistently with this objective, an advanced Risk Management system was adopted that assures, in compliance with the existing policies on the topic, the identification, measurement and central level control for the entire Group of the degree of exposure to individual risks.
The Group Risk Management & Corporate Finance function ensures consistency with the assigned limits and provides adequate support with its own analyses, both to individual subsidiaries and to the Risk Committee and Top Management of the Parent, for strategic decisions.

Credit risk

Exposure to credit risk, inherent in the probability that a counterparty will not be able to meet its contractual obligations, is managed through appropriate analyses and assessments attributing to each counterparty an internal rating (Internal Rating Based, summary indicator of creditworthiness assessment). The rating classes provide an estimation of the probability of default of a specific counterparty, on which the degree of creditworthiness assigned depends, which is accurately monitored and must not be overrun. The choice of counterparties both for the industrial business and financial negotiations underlies the decisions of the Credit Committee, whose choices are supported by creditworthiness analyses.
Concentration risk, both by customer and by segment, is continuously monitored, though no warning situations have ever occurred.

The graph below provides information about the exposure of ERG S.p.A. to credit risk at year end by the classification of amounts due (see **Note 7 – Trade receivables**) according to the credit rating corresponding to the internal ratings assigned.

(EUR thousand)	2025
AAA Rating	-
AA+/AA- Rating	-
A+/A- Rating	-
BBB+/BBB- Rating	-
BB+/BB- Rating	-
B+/B- Rating	-
CCC- Rating	-
Amounts due from Group companies and other unassigned amounts	48,671
Total	**48,671**

The risk position at 31 December 2025 is extremely limited as it is represented primarily by intragroup positions.

Liquidity risk

Liquidity risk is the risk that financial resources may not be sufficient to cover all obligations falling due. To date, ERG S.p.A. guarantees the adequate coverage of its financial requirements through the generation of cash flows and the availability of credit facilities, provided by different counterparties.

The following tables summarise the time profile of the financial liabilities of ERG S.p.A., including interest, at 31 December 2025 and at 31 December 2024 on the basis of non-discounted contractual payments and the relative carrying amount.

31/12/2025

(EUR thousand)	Carrying amount	Payable maturity	Maturity of liabilities				
			On demand	less than 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years
Bonds issued	1,605,095	1,737,325	-	-	28,389	1,204,500	504,436
Loans and borrowings	497,717	543,653	-	5,042	10,559	528,052	-
Current bank loans and borrowings	225,047	180,718	-	180,718	-	-	-
Other financial liabilities	-	-	-	-	-	-	-
Trade payables	8,469	8,469	2,208	6,261	-	-	-
Total non-derivative financial liabilities	**2,336,328**	**2,470,165**	**2,208**	**192,020**	**38,948**	**1,732,552**	**504,436**

31/12/2024

(EUR thousand)	Carrying amount	Payable maturity	Maturity of liabilities				
			On demand	less than 3 months	from 3 to 12 months	from 1 to 5 years	more than 5 years
Bonds issued	2,109,707	2,275,219	-	-	537,894	707,542	1,029,783
Loans and borrowings	423,339	472,863	-	6,916	9,817	456,130	-
Current bank loans and borrowings	180,719	180,718	-	180,718	-	-	-
Other financial liabilities	-	-	-	-	-	-	-
Trade payables	9,839	9,839	4,366	5,473	-	-	-
Total non-derivative financial liabilities	**2,723,605**	**2,938,639**	**4,366**	**193,107**	**547,711**	**1,163,672**	**1,029,783**

Liquidity Risk and Expected Liquidity Losses

ERG S.p.A. implements a risk mitigation strategy aimed at preventing the emergence of liquidity crisis situations that involves pursuing a balanced financial structure in terms of duration and composition, continuous monitoring of financial balances and systematic generation of cash by its business activities, guaranteeing an adequate distribution of credit lines, cash deposits and the relative financial assets among the major Italian and international banks.

In order to guarantee efficient liquidity management, the Company's Treasury activities are centralised. The Company provides for the Group's liquidity requirement primarily with the cash flows generated by ordinary operations and with credit facilities, when necessary, assuring appropriate liquidity management.

To pursue its risk mitigation objectives, the Company's stock of financial assets is invested in short-term, highly liquid financial instruments, favouring a very low risk profile. Short selling is not permitted under any circumstances.

Even in the current reference context, liquidity risk remains limited.

Interest rate risk

This is the risk that changes in the future trends of interest rates could determine higher costs for ERG S.p.A. Containment of the interest rate risk is pursued by using derivative contracts such as Interest Rate Swaps and Interest Rate Options (plain vanilla).

The following graph shows the impact on the profit (due to changes in the fair value of financial assets and liabilities) and equity of ERG S.p.A. (due to changes to the fair value of the cash flow derivatives) of a +/-1% change in the interest rate, keeping all other variables fixed.

Impact on profit or loss

(EUR million)	2025
Shock-up (+1% change in interest rate)	1
Shock-down (-1% change in interest rate)	(0)

Impact on equity

(EUR million)	2025
Shock-up (+1% change in interest rate)	6
Shock-down (-1% change in interest rate)	(7)

Derivative instruments used

The main types of derivative instruments adopted in the management of financial risks, solely for hedging purposes, are as follows:

Options: a contract whereby one of the parties, on payment of a sum to the other (premium), acquires the right to buy (call option) or sell (put option), at a future date, a certain quantity of financial instruments (underlying asset) at an established price (exercise or strike price);

Forward contracts: contracts for the purchase or sale between two parties of a certain financial instrument (the underlying asset) at a future date and at a price fixed at the time the contract is stipulated; this category also includes futures contracts, which unlike forward contracts are standardised, negotiated in lots and for predetermined maturity dates within regulated markets;

Swap: contract that determines, between two parties, the swap of flows of payments at certain dates. Payments can be expressed in the same currency or in different currencies and their amount is determined in relation to an underlying asset.

The underlying asset can be of various kinds and significantly influences the characteristics of the contract that can assume various forms in practice.

The derivatives entered into by ERG S.p.A. to hedge the exposure to financial risks existing at 31 December 2025 are:

Interest Rate derivatives

- Interest Rate Option instruments that make it possible to set upper limits (cap) and lower limits (floor) to interest rate fluctuations relating to loans indexed to a variable rate;
- Interest Rate Swap instruments to bring bank loans with fixed and variable rate to the risk profile deemed most appropriate. IRS contracts provide that the counterparties, with reference to a defined notional value and to pre-set maturities, mutually exchange interest flows calculated in relation to fixed rates or to variable rate parameters agreed previously.

Hedge accounting

The Company uses derivative financial instruments to hedge its own exposure to interest rate risks and to the price risk. Embedded derivatives are separated from the host contract and recognised separately when the host contract does not constitute a financial asset and when determined criteria are met. At the start of the designated hedging relationship, the Company documents the risk management objectives and the strategy in implementing the hedge, as well as the economic relationship between the hedged item and the hedging instrument and whether it is expected that the changes in the cash flows of the hedged item and the hedging instrument will offset each other. When a derivative financial instrument is designated as an instrument to hedge the exposure to the variability of cash flows, the effective portion of the fair value gain or loss on the derivative financial instrument is recognised in other comprehensive income and presented in the hedging reserve. The effective portion of the fair value gain or loss on the derivative financial instrument that is recognised in other comprehensive income is limited to the cumulative change in the fair value of the hedged instrument (at the present value) from the start of the hedge. The ineffective portion of the changes in fair value gain or loss on the derivative financial instrument is recognised immediately in profit or loss for the year. In a hedging relationship, the Company designates only the change in fair value of the spot element of the forward contract as a hedging instrument.

If the hedge ceases to meet the qualifying criteria or the hedging instrument is sold, terminates or is exercised, hedge accounting is discontinued prospectively. When the cash flow hedge transactions cease being reported, the cumulative gain or loss in the hedging reserve remains in equity until, in the case of a hedge of a transaction that entails the recognition of a non-financial asset or liability, it is included in the cost of the non-financial asset or liability at initial recognition or, in the case of the other cash flow hedges, it is reclassified to profit or loss for the year in the same year or years in which the hedged expected future cash flows have an effect on profit or loss for the year. Where cash flow hedges are no longer expected, the amount must be reclassified immediately from the hedging reserve and from the reserve for hedging costs to profit or loss for the year.

A hedging relationship is effective if and only if it meets the following requirements:

- *existence of an economic relationship between the hedging instrument and the hedged item;*
- *the credit risk is not dominant with respect to the changes in value; and*
- *the hedge ratio is the same one used for risk management purposes, i.e. the hedged quantity of the hedged element and the quantity of the hedging instrument used to cover the hedged item.*

The Company carries out the basis adjustment, reclassifying the effective result of the hedge to adjust the value of the hedged item at initial recognition, in case of cash flow hedges of non-financial elements. However, for all cash flow hedges, including those of transactions involving the recognition of a non-financial asset or liability, the cumulative gain or loss in the hedging reserve was reclassified to profit or loss for the year in the same year or in the same years in which the hedged expected future cash flows have an effect on profit or loss.

Summary of derivative instruments used

The derivative instruments entered into by ERG to hedge the exposure to interest rate risk at 31 December 2025 are as follows:

Type	Hedge Risk	Reference notional (EUR thousand)	Fair value at 31/12/2025 (EUR thousand)
Cash Flow Hedging instruments			
Interest Rate Swaps and Interest Rate Caps	Interest rate risk	431,329	14,183
Total Cash Flow Hedging instruments			**14,183**

Cash Flow Hedging instruments

Interest Rate Swaps and Interest Rate Caps and Collars.
Transactions for hedging the "interest rate" risk tied to fluctuations in interest rates on loans.
At 31 December 2025, the total fair value was a positive EUR 14,183 thousand.

NOTE 33 – SIGNIFICANT EVENTS AFTER THE REPORTING DATE

Disbursement of unsecured senior green loans for a total of EUR 418 million

On 30 January 2026, the European Investment Bank (EIB) disbursed EUR 243 million to ERG S.p.A. on the unsecured senior green loan agreement signed in December 2024 to support the development of plants from renewable sources in Italy, France and Germany.
On the same date, ERG S.p.A. subscribed and used a new unsecured senior green loan for an amount of EUR 75 million, maturing in 2030 and with the possibility of extension to 2032.
On 6 February 2026, ERG S.p.A. took out and used a new unsecured senior green loan for an amount of EUR 100 million, maturing in 2031.
The subscription and disbursement of the aforementioned loans resulted in longer maturities and improved contractual margins compared to those existing on senior unsecured loans outstanding at 31 December 2025, due to mature between 2028 and 2029, which have been fully repaid.
These events are classified as non-adjusting pursuant to IAS 10 with regard to the financial position at 31 December 2025 and are essentially neutral on the company's gross financial debt. For the purposes of classification pursuant to IAS 1.76 (d), no adjustments to the amounts presented are necessary.

Decree-Law No. 21 of 20 February 2026 (the so-called Energy/Bills Decree-Law) and the armed conflict in the Middle East

At the date of preparation of these financial statements, following 31 December 2025, a number of external events have occurred that could potentially influence the macroeconomic environment and the relevant energy sector, in particular:
- the enactment of Decree-Law 21 of 20 February 2026 (the so-called Energy/Bills Decree-Law) and
- the outbreak of armed conflict in the Middle East..

The Energy/Utility Bills Decree has the stated aim of keeping electricity and gas prices down for households and businesses, through interventions in price-setting mechanisms and via tax measures imposed on energy sector operators. Among these measures, the decree provides for an increase in IRAP for the energy sector: from the tax period following 31 December 2025, for the 2026 and 2027 tax periods, the rate is increased by two percentage points, covering the production, transmission and distribution of electricity. It should be noted that ERG S.p.A. is not subject to this levy, as it is a holding company. At the same time, the ongoing conflict in the Middle East represents a further source of macroeconomic uncertainty. According to market analyses, this event has already led to immediate increases and volatility in energy prices, but the evolution of the impacts in the short, medium and long term is highly uncertain and dependent on geopolitical developments that cannot be predicted at present.

NOTE 34 – AUDIT FEES

Based on Article 149-duodecies of the Issuers' Regulation, the 2024 fees relating to the services performed by the independent auditors KPMG S.p.A., auditor of the ERG Group, and by the companies belonging to its related network are set out below.
The preparation of the table is in line with the "Procedure for audit engagements in the companies of the ERG Group and monitoring of additional services".
Audit services comprise the complete audit of the separate and consolidated financial statements and the audit of the reporting package of the parent for the purposes of the preparation of the Consolidated Financial Statements and the review of the Condensed Interim Consolidated Financial Statements.

(EUR thousand)	2025	2024
Audit services	347	329
Non-audit services	229	267
Total	**576**	**597**

Non-audit services refer to:
- check of the compliance of the separate/unbundled annual accounts for EUR 18 thousand;
- agreed-upon procedures on the quarterly data of the subsidiaries for EUR 106 thousand;
- checks and signing of tax returns for EUR 4 thousand;
- assurance of the consolidated sustainability report for EUR 90 thousand;
- assurance of the Green Bond Report for EUR 11 thousand.

NOTE 35 – OTHER INFORMATION

- Article 1, paragraphs 125-129 of Italian Law no. 124 of 4 August 2017 introduced the obligation for companies that receive grants from public administrations to publish the amounts received in their Notes to the Separate Financial Statements and in the Consolidated Financial Statements, if these are drawn up. In view of the interpretation difficulties encountered in applying these provisions (Assonime – circular no. 5 of 22 February 2019) the legislator intervened, amending the said regulations several times. More specifically, the legal provisions of Italian Law no. 124/17 were most recently revised by Italian Law Decree no. 34 of 30 April 2019, which set forth urgent economic growth measures to resolve specific crisis situations, converted with Italian Law no. 58 of 28 June 2019, which provided responses to important issues in order to simplify and rationalise the regulations under consideration. The Company has therefore decided to state in its financial statements any financial contributions received from public administrations for use by all the companies and that come under the general scheme of the reference system defined by the State (e.g. feed-in premium, energy efficiency certificates, etc.) with the exception of those belonging to the following categories:
  - tax relief;
  - training grants received from inter-professional funds (such as Fondimpresa), since such funds are a form of partnership governed by private law, financed with the contributions paid by the companies themselves.

  It should be noted that, with reference to the 2025 financial year, ERG S.p.A. benefited from the contribution exemption provided for in Article 5 of Italian Law no. 162/2021 (private employers in possession of gender equality certification) for an amount of EUR 28 thousand. In accordance with the provisions of Article 3-quater of Italian Decree Law no. 135/2018, for the funds received please refer to the indications contained in the National Register of State Aid under Article 52 of Italian Law no. 234 of 24 December 2012.

- During the year, no atypical and/or unusual transactions took place. Atypical and/or unusual transactions are those transactions that due to their significance/relevance, nature of the counterparties, subject of the transaction, procedures for determining the transfer price and timeframe of the event (proximity to the end of the year) can give rise to doubts with regard to: the correctness/completeness of the information in the financial statements, conflicts of interest, wealth preservation and the protection of non-controlling interests.
- No advances were provided and there are no amounts due from directors and statutory auditors of ERG S.p.A. for the performance of these functions.

NOTE 36 – IFRS STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED STARTING ON 1 JANUARY 2025

From 1 January 2025, the following standards, interpretations and amendments to existing standards, in relation to which there are no significant effects on the Separate Financial Statements, became applicable:
- Amendments to IAS 21: Lack of Exchangeability.

NOTE 37 – IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS, PUBLISHED BUT NOT YET ADOPTED EARLY BY THE GROUP AT 31 DECEMBER 2025

Below are the new standards or amendments to the standards, applicable for annual periods beginning on or after 1 January 2026 and for which earlier application is allowed. However, the Company has decided not to adopt them in advance for the preparation of these Separate Financial Statements.

Entry into force	Description	Issue date	Approved
1 January 2026	Amendments to IFRS 9 and IFRS 7 "Classification and measurement of financial investments"	30 May 2024	Yes
	Volume 11 of the Project "Annual improvements to IFRS Accounting Standards" on improving the clarity and internal consistency of the adopted accounting standards	18 July 2024	Yes
1 January 2027	IFRS 18 "Presentation and disclosure in financial statements"	9 April 2024	Yes
	IFRS 19 "Subsidiaries without public accountability: disclosures"	9 May 2024	No

Any impacts of the aforesaid standards are currently being assessed.

NOTE 38 – MANAGEMENT AND COORDINATION

Following the closing of the transaction aimed at the creation of a long-term partnership between San Quirico S.p.A. and the IFM Net Zero Infrastructure Fund SCSP investment fund, which occurred on 15 September 2022, ERG S.p.A. is a direct subsidiary of SQ Renewables S.p.A. (wholly owned by San Quirico S.p.A. and NZF Bidco Luxembourg 2 S.à r.l., with holdings of 65% and 35%, respectively, until 9 April 2024).
Following the exercise of the put option on shares in SQ Renewables S.p.A. by San Quirico S.p.A., from 9 April 2024, San Quirico S.p.A. and NZF Bidco Luxembourg 2 S.à r.l. each hold in SQ Renewables S.p.A. a number of shares corresponding to 51% and 49%, respectively, of the company's share capital.
SQ Renewables S.p.A. exercises limited management and coordination in respect of ERG S.p.A., in accordance with the provisions of the relative Regulation approved on 15 September 2022 by the Board of Directors, with the prior opinion of the Control, Risk and Sustainability Committee (hereinafter also the "Limited Management and Coordination Regulation").
The resolution approving the Regulations for Limited Management and Coordination by the Board of Directors of ERG S.p.A. was made within the scope of the aforementioned management and coordination activities carried out by SQ Renewables S.p.A.
Pursuant to the provisions of Article 16 of the Market Regulation adopted by CONSOB with resolution no. 20249 of 28 December 2017 as amended and supplemented, the following is specified:

- ERG S.p.A. has fulfilled the disclosure obligations set forth in Article 2497-bis of the Italian Civil Code
- ERG S.p.A. has autonomous negotiating ability in relations with customers and suppliers
- ERG S.p.A. has no centralised treasury relationship with SQ Renewables S.p.A.

The committees recommended by the Corporate Governance Code (i.e. the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee) are entirely composed of independent directors both with reference to the provisions of Article 148, third paragraph, of the TUF and with reference to the contents of the Corporate Governance Code.

With reference to the disclosure requirements pursuant to paragraph 4 of Section 2497-bis of the Italian Civil Code, the key figures of the latest financial statements of SQ Renewables S.p.A., which exercises management and coordination activities over ERG S.p.A., are summarised below.

(EUR thousand)	2024
Revenue	-
Costs for raw, ancillary and consumable materials and goods	(1)
Services	(100)
Use of third-party assets	(20)
Amortisation, depreciation and impairment losses	(1)
Other operating costs	(17)
Production cost	**(138)**
Operating loss	**(138)**
Net financial income	94,014
Profit before taxes	**93,876**
Income taxes	(1,102)
Profit (loss) for the year	**92,773**

(EUR thousand)	2024
Intangible assets	1
Financial assets	1,347,713
Total non-current assets	**1,347,714**
Financial assets	5
Cash and cash equivalents	622
Total current assets	**626**
Prepayments and accruals	**5**
Total assets	**1,348,345**
Equity	1,348,267
Financial liabilities	79
Total liabilities	**1,348,345**

NOTE 39 – PUBLICATION DATE OF THE FINANCIAL STATEMENTS

On 11 March 2026, the Board of Directors of ERG S.p.A. authorised the publication of the financial statements together with the reports of the Supervisory Bodies in compliance with the deadlines prescribed by current laws and regulations.

Genoa, 11 March 2026

on behalf of the Board of Directors
The Chairman

Edoardo Garrone

STATEMENT ON THE SEPARATE FINANCIAL STATEMENTS

STATEMENT ON THE SEPARATE FINANCIAL STATEMENTS IN ACCORDANCE WITH ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 DATED 14 MAY 1999, AS AMENDED

1. The undersigned Paolo Luigi Merli, Chief Executive Officer of ERG S.p.A., and Michele Pedemonte, Manager responsible for preparing the financial reports of ERG S.p.A., taking into account the provisions set out in Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998, state that the administrative and accounting procedures for the preparation of the Separate Financial Statements:
   - were adequate given the company's characteristics and
   - were effectively applied in the period between 1 January 2025 and 31 December 2025.

2. In this regard, the following is pointed out:
   - the suitability of the administrative and accounting procedures for the preparation of the Separate Financial Statements of ERG S.p.A. at 31 December 2025 was verified by the assessment of the system of internal control over Financial Reporting. This assessment was carried out with reference to the criteria established in the "Internal Control – Integrated Framework" model issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
   - the assessment of the System of Internal Control over Financial Reporting did not uncover any significant aspects.

3. It is furthermore stated that:
   - the Separate Financial Statements of ERG S.p.A.:
     - were prepared in accordance with the applicable International Accounting Standards recognised in the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, dated 19 July 2002;
     - match the underlying accounting books and records;
     - are suitable to give a true and fair view of the financial position and results of operations of the issuer.
   - the Directors' Report comprises a reliable analysis of the performance and of the result of operations, as well as of the situation of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Genoa, 11 March 2026

The Chief Executive Officer	The Manager responsible for preparing the financial reports
Paolo Luigi Merli	**Michele Pedemonte**

REPORT OF THE BOARD OF STATUTORY AUDITORS ON FINANCIAL YEAR 2025

TO THE SHAREHOLDERS' MEETING PURSUANT TO ART. 153 OF ITALIAN LEGISLATIVE DECREE NO. 58/1998

Dear Shareholders,

This Report has been prepared pursuant to Article 153 of Italian Legislative Decree No. 58 of 24 February 1998 (Italian Consolidated Financial Act, "ICFA"), as well as Italian Legislative Decree No. 39/2010 and the other applicable legal and regulatory provisions. It presents to the Shareholders' Meeting of ERG S.p.A. (hereinafter also the "Company" or "ERG") the supervisory activities carried out by the Board of Statutory Auditors during the financial year ended 31 December 2025.
This Report has also been prepared in accordance with the principles of conduct for Boards of Statutory Auditors issued by the Italian National Council of Chartered Accountants and Accounting Experts, with CONSOB communications on corporate controls, and with the recommendations contained in the Corporate Governance Code, to which the Company adheres.
This Report has been drawn up by the Board of Statutory Auditors appointed by the Shareholders' Meeting of ERG by resolution of 22 April 2025 for the three-year period 2025-2027.
The appointment was made on the basis of lists submitted by shareholders, in compliance with the provisions of the ICFA, the Issuers' Regulation and the Company's Articles of Association, ensuring adequate representation of minority shareholders and gender balance.
Pursuant to Article 153 of the ICFA, the Board of Statutory Auditors reports to the Shareholders' Meeting convened to approve the annual financial statements on the supervisory activities carried out, providing an account of the performance of its duties, any omissions or irregularities identified, and setting out its observations on the financial statements and other matters within its remit.
The Board of Statutory Auditors is currently composed of: Monica Mannino (Chairwoman), Giulia De Martino (Standing Statutory Auditor) and Fabrizio Cavalli (Standing Statutory Auditor).
The legal auditing of the Company's accounts is carried out by the auditing firm KPMG S.p.A. (hereinafter: the "Independent Auditors" or "KPMG") for the duration of 9 financial years (2018-2026) as resolved by the Shareholders' Meeting of 23 April 2018.

During the financial year ended 31 December 2025, the Board of Statutory Auditors of ERG performed the supervisory activities required under Article 149 of the ICFA, in accordance with applicable legislation and CONSOB communications on corporate controls and the activities of the board of statutory auditors (in particular, communication of 20 February 1997, No. DAC/RM 97001574; communication No. DEM/1025564 of 6 April 2001 and subsequent additions No. DEM/3021582 of 4 April 2003 and No. DEM/6031329 of 7 April 2006), as well as taking into account the principles of conduct recommended by the Italian National Council of Chartered Accountants and Accounting Experts and the recommendations of the Corporate Governance Code, to which the Company adheres.

In addition, as the Company has adopted the traditional governance model, the Board of Statutory Auditors is the "Internal Control and Audit Committee" (hereinafter also referred to as "ICAC"), which is responsible for additional specific control and monitoring functions with regard to financial reporting, statutory audit and sustainability reporting, pursuant to Article 19 of Italian Legislative Decree No. 39 of 27 January 2010, as amended by Italian Legislative Decree No. 135 of 17 July 2016 and Italian Legislative Decree No. 125 of 6 September 2024, the decree implementing EU Directive No. 2022/2464.
The Board of Statutory Auditors obtained the essential and necessary information for the performance of the supervisory tasks assigned to it by, among other things, attending the meetings of the Board of Directors and the board committees recommended by the Corporate Governance Code, analysing the information flows acquired from the relevant corporate structures, holding interviews with the management of the Company and the Group, holding meetings with the statutory auditor, the Supervisory Board and the corresponding control bodies of the Group companies, and performing additional control activities.
During the 2025 financial year, the Board of Statutory Auditors, in its capacity as ICAC, pursuant to Article 19 of Italian Legislative Decree No. 39/2010, as amended by Italian Legislative Decree No. 135/2016, initiated — on the basis of the Methodological Note for the procedure for awarding audit engagements within the ERG Group approved by the Board of Statutory Auditors on 16 September 2025 — the preliminary activities aimed at carrying out the selection procedure for the appointment of the statutory audit engagement for the nine-year period 2027-2035, in view of the expiry of the current engagement with the independent auditors KPMG, scheduled with the date of the Shareholders' Meeting to be convened for approval of the financial statements ending 31 December 2026.
The early launch of this process, in line with applicable legislation and best practices for public-interest entities, is intended to ensure an orderly handover between the outgoing independent auditors and the new ones, as well as full compliance with the provisions on independence and incompatibility, including the requirements set out in Regulation (EU) No. 537/2014, also with reference to the so-called "cooling-in period".
Following completion of the selection procedure, the Board of Statutory Auditors, in its capacity as ICAC, has therefore submitted its reasoned proposal in accordance with the applicable regulations, to be presented to the Shareholders' Meeting of 22 April 2026 called to resolve on the appointment of the statutory audit engagement pursuant to Article 13(1) of Legislative Decree No. 39/2010 for the financial years 2027–2035 and the certification of the compliance of the consolidated sustainability report pursuant to Article 13, paragraph 2-ter, of Legislative Decree No. 39/2010 for the financial years 2027–2029.

Board of Statutory Auditors – Appointment, term of office and operation

The Board of Statutory Auditors was appointed by the Shareholders' Meeting of ERG by resolution of 22 April 2025 and will remain in office for three financial years, expiring on the date of the Shareholders' Meeting convened to approve the annual financial statements at 31 December 2027.

In order to acquire the information required to perform its supervisory duties, the Board of Statutory Auditors met a total of 23 times during the 2025 financial year.

It is hereby acknowledged that the composition of the Board of Statutory Auditors in office complies with the provisions on gender diversity set forth in Article 148, paragraph 1-bis, of the ICAF, and at Article 144-undecies, paragraph 1, of the Issuers' Regulation.

The Board of Statutory Auditors carried out periodic assessments to verify that its members continue to meet the requirements of independence, professional competence and integrity, in accordance with Article 148, paragraphs 3 and 4, of the ICAF, the principles of conduct for Boards of Statutory Auditors recommended by the Italian National Council of Chartered Accountants and Accounting Experts, and Recommendations 7 and 9 of the Corporate Governance Code (January 2020 edition).

The principal positions held by the members of the Board of Statutory Auditors are disclosed in the Report on Corporate Governance and Ownership Structure at 31 December 2025.

With regard to its operation, the Board:

a) verified the regular attendance of its members at meetings of the Board itself, as well as at all meetings of the Board of Directors and the board committees provided for by the Corporate Governance Code;

b) organised its activities according to a risk-based approach, aimed at identifying the main risk areas and ensuring adequate information flows from the heads of corporate functions, as well as through a structured programme of periodic meetings with the Company's management and with the Supervisory Body pursuant to Italian Legislative Decree No. 231/2001.

The specific control and monitoring functions assigned to the Board of Statutory Auditors in its capacity as ICAC in terms of financial reporting, consolidated sustainability reporting and statutory audit, envisaged by Article 19 of Italian Legislative Decree No. 39 of 27 January 2010, as supplemented by Italian Legislative Decree No. 125/2025, resulted in, among other things, a constant and mutual exchange of information with the Independent Auditors and with the Manager responsible for preparing the company's financial reports.

Board of Statutory Auditors Self-assessment

In accordance with the principles of conduct for Boards of Statutory Auditors issued by the Italian National Council of Chartered Accountants and Accounting Experts, and with the recommendations of the Corporate Governance Code, the Board of Statutory Auditors carried out, also in respect of the financial year under review, a self-assessment process concerning its composition and operation.

During the financial year — marked by the renewal of the Supervisory Body for the new term of office, with the confirmation of the Chairwoman and two Standing Auditors — the self-assessment exercise confirmed the effectiveness and efficiency of the Board's activities.

The process also confirmed the overall adequacy of the composition of the Board of Statutory Auditors in terms of professional expertise, skills and diversity of experience, including in light of the experience gained by certain members in previous mandates. It also highlighted the Board's ongoing commitment to maintaining continuous and constructive interaction with the Board of Directors and its committees, as well as with the boards of statutory auditors of the subsidiaries.

The self-assessment further identified the opportunity to continue induction activities and to further strengthen the Board's competencies, particularly in relation to technological developments and cyber security, as well as sustainability reporting matters, also taking into account the evolving operating environment and the applicable legal and regulatory framework.

Board of Directors – Appointment, term of office and operation

The Board of Directors of ERG in office at the date of this Report is composed of 12 Directors and was appointed by the Shareholders' Meeting of 23 April 2024. The mandate expires on the date of the Shareholders' Meeting called to approve the Financial Statements at 31 December 2026.

Two lists of candidates were presented for the appointment of the current Board of Directors, one by the shareholder SQ Renewables S.p.A. and the other by a number of institutional investors, pursuant to the provisions of the ICFA, the regulations implementing the ICFA and the Company's Articles of Association. Eleven Directors were elected from the majority list and one from the minority list.

The following Directors were found to be independent (pursuant to Article 148, paragraph 3, of the ICFA, the Corporate Governance Code and the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee): Marina Natale, Elisabetta Caldera, Federica Lolli, Elisabetta Oliveri and Daniela Toscani, i.e. five Directors out of 12.

It should be noted that on 12 December 2025 the Board of Directors, following the resignation tendered by Director Luca Bettonte from his position as Director and member of the Strategic Committee, appointed Paolo Arlandini as a non-executive Director of the Company and member of the Strategic Committee. He will remain in office until the next Shareholders' Meeting of ERG, scheduled for 22 April 2026.

Within the Board of Directors, the role of Chairman is held by Edoardo Garrone, that of Executive Deputy Chairman, as well as Director in charge of the Internal Control and Risk Management System, by Alessandro Garrone, that of Deputy Chairman by Giovanni Mondini, that of Chief Executive Officer by Paolo Luigi Merli, that of Lead Independent Director by Elisabetta Oliveri.

On 15 July 2025, the Board of Directors confirmed that the Directors qualified as independent continued to meet the requirements set out in applicable law, the Corporate Governance Code and the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee.

Within the scope of its duties, the Board of Statutory Auditors reviewed the assessment process carried out by the Board, verifying the correct application of the criteria and procedures adopted to ascertain independence requirements, in compliance with the law, the Corporate Governance Code and the internal regulations referred to above, as well as compliance with the requirements relating to the composition of the Board of Directors as a whole.

It is also noted that the composition of the Board of Directors complies with the provisions on gender balance set out in Article 147-terand Article 144-undecies.1 of the *Issuers' Regulation*.

In addition, the Board of Statutory Auditors agreed with the positive assessment expressed by the Nominations and Remuneration Committee and endorsed by the Board of Directors, as envisaged by recommendations 21, 22 and 23 of the Corporate Governance Code, on the size and composition of the Board of Directors and its operation as well as on the size, composition and operation of the Board committees.

The Board of Directors has set up the following internal committees:

- **Control, Risk and Sustainability Committee**, composed of three non-executive and independent directors, which met 11 times in 2025.
- **Nominations and Remuneration Committee**, composed of three non-executive directors, all independent pursuant to the ICFA and the Corporate Governance Code, and which met 7 times during 2025.
- **Strategic Committee**, composed of seven directors, one of whom independent pursuant to the ICFA and the Corporate Governance Code, and which met 12 times during 2025. The Board of Statutory Auditors does not participate in the meetings of the Strategic Committee.
  Information on the activities carried out by the Committees is provided in the Report on Corporate Governance and Ownership Structure at 31 December 2025.
  As part of its supervisory activities, the Board of Statutory Auditors also reviewed the information and reports prepared by the board committees established by the Company, in particular the Control, Risk and Sustainability Committee — tasked with supporting the Board of Directors in its assessments and decisions relating to the internal control and risk management system — and the Remuneration and Nominations Committee, which performs advisory and consultative functions in relation to remuneration policies and director appointment processes.
  The Board of Statutory Auditors maintained an ongoing exchange of information with these committees, acquiring useful elements for assessing the adequacy of the Company's organisational, administrative and accounting structure, as well as its internal control system.
  The Board of Statutory Auditors attended meetings of the Board of Directors and obtained information on the activities carried out and on the most significant economic, financial and equity transactions undertaken by the Company.

Endorsement by the Company of the Corporate Governance Code

The Company has endorsed the Italian Corporate Governance Code for Listed Companies promoted by Borsa Italiana S.p.A. since its first edition in 1999. The Board of Directors adopted the *Corporate Governance Code* published on 31 January 2020 by resolution of 15 October 2020 and has progressively implemented the recommendations issued by the Italian Corporate Governance Committee.
Most recently, at its meeting of 25 February 2026, the Board of Directors reviewed the guidance set out in the 2025 Report on the evolution of corporate governance of listed companies — the 12th report on the application of the Corporate Governance Code — assessing its appropriate integration into the Company's governance system.
Following the endorsement of the updated Corporate Governance Code, the Board of Directors adopted the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee and approved the Policy for the management of dialogue with shareholders and investors in general, also taking into account the engagement policies adopted by institutional investors and by asset managers, updated on 23 February 2024 to extend its application to all the Company's stakeholders; as a result of this update, the name was consequently changed to the Policy for Managing Dialogue with Stakeholders.
Pursuant to Article 149, paragraph 1, letter c-bis of the ICFA, the Board of Statutory Auditors supervised the manner in which the Corporate Governance Code was implemented in practice.
The Board also acknowledges that the letter of the Chairman of the Italian Corporate Governance Committee of 18 December 2025 and the related Recommendations of the Committee for the year 2026 have also been discussed by the Board of Statutory Auditors.
Finally, the Board acknowledges that the ERG Board of Directors approved the Report on Corporate Governance and Ownership Structure at 31 December 2025, after assessing the consistency of the Report with the principles and recommendations of the Corporate Governance Code and having consulted the Control, Risk and Sustainability Committee with particular reference to the essential elements of the Internal Control and Risk Management System and the methods of coordination between the Entities involved.
With reference to the Internal Control and Risk Management System (ICRMS), it should be noted that the Board of Directors has assigned the supervisory role to the Executive Deputy Chairman, rather than to the Chief Executive Officer as suggested by the Corporate Governance Code, considering this choice to be more effective and consistent with the principle of segregation of duties. In particular, the Chief Executive Officer is responsible for identifying the main business risks, while the Executive Deputy Chairman ensures — through oversight, direction and control powers — the overall effectiveness and adequacy of the system.

Management and coordination

It is recalled that during 2022, direct control of ERG was transferred from San Quirico S.p.A. to SQ Renewables S.p.A., a newly established company with a majority stake (51%) held by San Quirico S.p.A. and, indirectly, a minority stake (49%) held by the investment fund IFM Net Zero Infrastructure Fund, managed by IFM Investors Pty Ltd. Since 15 September 2022, SQ Renewables S.p.A. has exercised limited management and coordination pursuant to Articles 2497 et seq. of the Italian Civil Code with respect to ERG.
It should be noted that, in view of the change in the control structure, in its meeting on 15 September 2022 the Board of Directors of ERG resolved to adopt the Regulations for limited management and coordination of ERG by SQ Renewables S.p.A.
It should be noted that on 1 July 2025, the proportional partial demerger was finalised through the spin-off of the indirect parent company San Quirico S.p.A. (which adopted the new name GARMON S.p.A.), with the transfer of part of its assets to a newly incorporated beneficiary company, wholly owned by the former, which assumed the name San Quirico S.p.A. These changes have had no direct impact on the Company, either in relation to the limited management and coordination activity that SQ Renewables S.p.A. continues to carry out with respect to the Company, or in relation to the entity (namely GARMON S.p.A., formerly San Quirico S.p.A.) which ultimately continues to control ERG.
ERG, in turn, carries out management and coordination activities over the subsidiaries, in compliance with their management and operational autonomy. The scope and contents of this activity are periodically assessed by the Board of Directors, after examination by the Control, Risk and Sustainability Committee.
In 2025, the Board of Directors approved an amendment to the articles of association of ERG Power Generation S.p.A., subject to the management and coordination of SQ Renewables S.p.A., to clarify the operating methods on the electricity derivative markets.

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Supervisory activities carried out pursuant to Article 149 of the ICFA

The supervisory activities of the Board of Statutory Auditors were carried out in accordance with Articles 149 and 150 of the ICFA, Italian Legislative Decree No. 39/2010 and the other provisions applicable to companies issuing listed financial instruments.

The Board operated taking into account the relevant regulatory developments, including amendments to Italian Legislative Decree No. 39/2010 and the implementation of Directive (EU) 2022/2464 on sustainability reporting.

With reference to the 2025 financial year, and taking into account the guidance provided by CONSOB in communications No. DEM/1025564 of 6 April 2001, No. DEM/3021582 of 4 April 2003 and No. DEM/6031329 of 7 April 2006, the Board of Statutory Auditors reports that it has carried out the supervisory activities required under the applicable legislation.

In particular, the Board attended the Shareholders' Meeting held on 22 April 2025 and the meetings of the Board of Directors, monitoring compliance with laws, the Articles of Association and applicable regulations, as well as the principles of proper administration. It received, at least on a quarterly basis, information on the Company's performance and on the most significant transactions carried out by the Company and its subsidiaries.

It maintained ongoing relations with the Supervisory Body, including within the meetings of the Control, Risk and Sustainability Committee and of the Board of Directors, and participated in the work of the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee.

The Board monitored the adequacy of the organisational, administrative and accounting structure and the operation of the Internal Control and Risk Management System (ICRMS), also by reviewing the assessments made by the Board of Directors pursuant to Article 2381 of the Italian Civil Code and to Italian Legislative Decree No. 14/2019, analysing the reports of Internal Audit, the Compliance 231 and Privacy functions, Compliance 262, CSRD and TCF functions, Risk Management and Finance reports, as well as through monitoring litigation and exchanging information with the supervisory bodies of the subsidiaries pursuant to Article 151 of the ICFA.

The ICRMS aims at ensuring:

- the effectiveness and efficiency of operating activities;
- the reliability of financial and non-financial reporting;
- compliance with laws and regulations;
- the safeguarding of corporate assets.

The Internal Audit function operates on the basis of an annual plan defined according to a risk-based approach, approved by the Board of Directors after consulting the Control, Risk and Sustainability Committee and the Board of Statutory Auditors.

During the financial year, no significant deficiencies were identified in the internal control system that would require extraordinary corrective actions.

The Board of Statutory Auditors maintained an ongoing exchange of information with the independent auditors KPMG S.p.A. pursuant to Articles 150 of the ICFA, 14 of Italian Legislative Decree No. 39/2010 and 11 of Regulation (EU) No. 537/2014, reviewing its reports, including the additional report issued on 25 March 2025.

The Board also monitored the effectiveness of the control system of the Group companies and the adequacy of the instructions issued, supervised the implementation of corporate governance rules and the proper application of the independence criteria for Directors pursuant to the Corporate Governance Code, verified compliance with and observance of the procedure governing Related-Party Transactions, and oversaw compliance with the requirements of the Market Abuse Regulation (MAR) and the management of relevant information and inside information.

Finally, the Board gave its approval to the Report on the remuneration policy and fees paid out pursuant to Article 123-ter of the ICFA.

Relations with the Supervisory Authorities

The Board of Statutory Auditors notes that, on 19 December 2025, the Company received a request for information from CONSOB pursuant to Article 115 of Italian Legislative Decree No. 58/1998, concerning certain aspects of the consolidated and separate financial statements at 31 December 2024 and the interim consolidated financial statements at 30 June 2025 (including goodwill impairment testing, recoverability assessments of assets, financial covenants, the valuation of the investment in ERG Power Generation S.p.A., and budget/actual figures analysis for the purposes of goodwill recoverability).

The Board observes that the request submitted by the Supervisory Authority was duly shared within the Company, including with senior management, and that the relevant functions promptly initiated the necessary activities to provide a response within the timeframe required by the Authority.

Within the scope of its responsibilities, the Board monitored the process for preparing the response, liaising with the relevant functions in relation to the matters raised and the replies provided, and confirms that it received, as part of its information flows, a copy of the response submitted by the Company on 20 January 2026.

Financial and non-financial reporting process

The Board of Statutory Auditors, taking into account that the statutory audit of the accounts is entrusted to the Independent Auditors, performed the supervisory functions provided for under Article 19 of Italian Legislative Decree No. 39/2010, monitoring the process for the preparation of the Company's separate financial statements, the Consolidated Financial Statements and the Consolidated Sustainability Report, as well as the adequacy of the related control systems.

In particular, the Board monitored the existence and adequacy of the procedures governing the preparation and disclosure of financial and non-financial information, verifying that the Internal Control and Risk Management System (ICRMS) is suitable for managing the risks associated with the reporting process. In this regard, the Board noted that the Report on Corporate Governance and Ownership Structure, approved by the Board of Directors on 11 March 2026, provides a detailed description of the internal control system relating to financial and sustainability reporting at consolidated level.

During the financial year, the Board:

- monitored compliance with the applicable legal and regulatory provisions governing the preparation, approval and publication of periodic financial reports;
- reviewed the methodological framework of the impairment test procedure, approved by the Board of Directors in advance of the execution of the test, in accordance with IAS 36 and the Joint Bank of Italy/CONSOB/ISVAP Document No. 4/2010. The results of the impairment test are presented in the Notes to the Financial Statements;

- examined, with the support of the Manager responsible for preparing the company's financial reports, the administrative and accounting procedures relating to the preparation of the Financial Statements, the Consolidated Financial Statements, the interim financial report and the CSRD Report, taking into account the testing activities carried out by the Compliance 262, CSRD and TCF functions;
- obtained evidence of the process enabling the Chief Executive Officer and the Manager responsible for preparing the company's financial reports to issue the certifications required under Article 154-bis of the ICFA, including with reference to sustainability reporting, without prejudice to their respective independence;
- received periodic updates on the monitoring of administrative and accounting processes and on the main civil, administrative and tax disputes;
- verified the consistency of the Directors' Report with the Separate Financial Statements, the Consolidated Financial Statements and the Consolidated Sustainability Report;
- noted the proper preparation and publication of the interim financial report at 30 June 2025 and of the additional periodic information disclosed on a voluntary basis;
- performed, in its capacity as the Internal Control and Audit Committee, the functions of monitoring the financial reporting process and the effectiveness of the internal control and risk management systems.

Consolidated Sustainability Reporting (CSRD)

Following the entry into force of Italian Legislative Decree No. 125/2025, implementing Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD), the Board of Statutory Auditors has continuously monitored the manner in which the Company has adapted to the new reporting requirements.

ERG, as a Public Interest Entity and parent company of a listed group, is subject to the CSRD for the 2025 financial year and has therefore prepared the consolidated sustainability reporting included in the Directors' Report of the Consolidated Financial Statements, drawn up in accordance with the European Sustainability Reporting Standards (ESRS) and based on a double materiality assessment.

In accordance with the CSRD, the Company has applied the principle of *"double materiality"*, assessing:

- the impacts of its business activities on the environment, society and governance (inside-out perspective);
- the risks and opportunities arising from ESG factors on its economic and financial performance (outside-in perspective).

The Board obtained information on the process for identifying material topics, verifying its methodological consistency with the EFRAG Guidelines.

It monitored the entire process for preparing the Consolidated Sustainability Report, with particular reference to:

- the roles and responsibilities assigned to corporate functions;
- the design of the data collection and validation process;
- the internal control system supporting ESG reporting;
- consistency between sustainability reporting and financial reporting.

The CSRD Compliance function has prepared a specific Risk & Control Matrix ESRS, identifying relevant processes and sub-processes for reporting purposes. The testing activities carried out did not identify any significant areas for improvement or any failed controls.

The Board verified that the reporting was consistent with the Business Plan, the Company's policies and the stated ESG objectives, ensuring alignment between strategy, risks and sustainability performance.

Consistency between climate-related information and the assumptions used for impairment testing was also verified, in line with ESMA recommendations.

With reference to Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation"), the Company provided the required information on the proportion of economic activities aligned with the EU taxonomy.

The Independent Auditors stated that no matters had come to its attention that would indicate that the information provided was not compliant.

At its meeting of 11 March 2026, the Board of Directors approved the Directors' Report, including the Consolidated Sustainability Report, following review by the Control, Risk and Sustainability Committee.

The assurance engagement on the compliance of the Consolidated Sustainability Report was entrusted to KPMG, which issued its report pursuant to Article 14-bis of Italian Legislative Decree No. 39/2010, confirming compliance with the provisions of Italian Legislative Decree No. 125/2025 and the applicable standards.

In light of the activities performed, the Board has not identified any irregularities or deficiencies in the sustainability reporting process that would require reporting to the Shareholders' Meeting.

The Board of Directors, in the sections "Significant events after the reporting date" and "Business outlook" of the integrated consolidated financial statements, has provided a detailed account of the main information, which is summarised below.

The Board of Statutory Auditors notes that, after 31 December 2025, the Company:

- announced, on 20 January 2026, in line with the guidelines of the Business Plan — which provide for a geographical repositioning of its activities — the signing and closing of two transactions in the United Kingdom and Sweden. In particular, with reference to Sweden, ERG Power Generation S.p.A. entered into an agreement with Nordic AB for the sale of the entire share capital of ERG Sweden Holding AB, the company owning the Furuby wind farm (62 MW) through its subsidiary Furukraft AB. The disposal has been classified in the consolidated financial statements as "assets held for sale" pursuant to IFRS 5;
- completed the disbursement and signing of senior unsecured green loans for a total amount of EUR 418 million, aimed at supporting the development of renewable energy plants. In particular, on 30 January 2026 the European Investment Bank disbursed EUR 243 million under the financing agreed in 2024; on the same date, a further EUR 75 million facility was entered into (maturity 2030, extendable to 2032), and on 6 February 2026 an additional EUR 100 million loan maturing in 2031 was executed. These transactions have extended the average maturity of debt and improved contractual margins, alongside the refinancing of facilities maturing between 2028 and 2029. These events are classified as non-adjusting events under IAS 10 and are substantially neutral in terms of gross financial indebtedness at 31 December 2025.

  Subsequent to the reporting date, certain external events have also occurred which may be relevant for the macroeconomic and energy context, including the enactment of Italian Decree-Law No. 21/2026 (so-called Energy/Bills Decree) and the outbreak of conflict in the Middle East.

The 2026 Bills Decree introduces a series of rules aimed at reducing the cost of electricity for households and businesses. Among these, the decree provides for reimbursement mechanisms starting in 2027, to be implemented through measures to be defined by ARERA in the coming months, for certain supply components and ETS quotas, creating a competitive advantage for gas-fires thermoelectric generation and mitigating the economic signal in favour of the transition to renewable sources. However, the effectiveness of these provisions, in particular the regulation of reimbursement to thermoelectric producers of charges related to ETS emissions, is subject to the prior authorisation of the European Commission. A better estimate of the effects of this decree can therefore only be made after this authorisation and the period of parliamentary conversion into law, i.e. within 60 days of the decree's publication in the Official Journal (20 February 2026);

- the conflict in the Middle East represents an additional source of uncertainty, with potential effects on energy prices.

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The additional information required by CONSOB Communication No. DEM/1025564 of 6 April 2001, as amended, is provided below.

I. Adequate information was acquired on the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries. The main initiatives undertaken during the financial year are fully described in the Financial Statements, to which reference should be made. In this context, the Board notes the commissioning of the first BESS (Battery Energy Storage System) plant in Vicari (Palermo), with a capacity of 12.5 MW, a nominal storage capacity of 50 MWh and a charge/discharge cycle of approximately four hours. It is also noted that ERG has been awarded 20-year "pay as produced" tariffs in the first auction procedure under the transitional RES X Ministerial Decree, with two complete refurbishment projects (known as "repowering") totalling 141 MW. Furthermore, ERG completed the construction and energisation of the Corlacky wind farm in Northern Ireland, consisting of 11 Vestas V117 turbines of 4.3 MW each, for a total installed capacity of 47.3 MW, and entered into a 15-year Power Purchase Agreement (PPA) with the A2A Group for the supply of approximately 2.7 TWh of wind-generated renewable energy over the period, starting from 1 January 2027.
The Company has also provided an overview of the main regulatory and institutional developments relevant to the Group that occurred during the 2025 financial year.

II. On the basis of the information provided by the Company and the data acquired in relation to the aforementioned transactions, the Board of Statutory Auditors ascertained their compliance with the law, the Articles of Association and the principles of proper administration, ensuring that they were not manifestly imprudent or risky, in potential conflict of interest, in contrast with the resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of the company's assets.

III. During its checks, the Board did not identify any atypical and/or unusual transactions, either with third parties or with Group companies or related parties. It is acknowledged that the information provided in the Annual Financial Report regarding significant events and transactions and any atypical and/or unusual transactions, including those within the group and with related parties, is adequate and complies with regulatory provisions.

IV. The characteristics of the intragroup and related party transactions implemented by the Company and its subsidiaries during 2025, the parties involved and the related economic effects are indicated in Note 48 to the Consolidated Financial Statements and in Note 30 to the Separate Financial Statements, to which reference should be made. It should be noted that the Company has had regular commercial and financial transactions with its subsidiaries, consisting of ordinary transactions concluded at market or standard conditions, i.e., since they are below the low threshold provided for by the procedure itself. All transactions were carried out in the interest of the Company and, with the exception of the transactions with entities pursuing humanitarian, cultural and scientific initiatives, are included under ordinary operations. During the 2025 financial year, the Board of Statutory Auditors analysed the favourable opinions issued by the Nominations and Remuneration Committee regarding certain Transactions with Related Parties of "lesser significance", since the Committee had assessed the Company's interest in carrying out the transactions, as well as the fairness and convenience of the related conditions. The Board of Statutory Auditors considers the information provided on the aforementioned transactions to be adequate on the whole, and deems these transactions to be congruous and in line with the company's interest, based on the data acquired. The Board of Statutory Auditors had no reason to raise objections regarding the alignment with the company's best interest for all the transactions it reviewed during the reporting period. The Board of Statutory Auditors has carefully and consistently monitored the transactions brought to the attention of the aforesaid committees, requesting further analysis and in-depth reviews where deemed necessary.
Related Party Transactions, identified on the basis of international accounting standards and the provisions issued by CONSOB, are regulated by an internal procedure; the Board of Statutory Auditors acknowledges that no changes were made during 2025.
The Board of Statutory Auditors has reviewed the Procedure, verifying its compliance with CONSOB Regulation No. 17221 of 12 March 2010, as amended by CONSOB Resolution No. 21624/2020, which came into effect on 1 July 2021.
The Board of Statutory Auditors verified the correct application of the Procedure for the aforementioned transactions.

V. On 25 March 2026, the Independent Auditors issued the reports pursuant to Articles 14, 14-bis and 16 of Italian Legislative Decree No. 39/2010, Article 10 of EU Regulation No. 537/2014 and Article 8 of 2020 EU Regulation No. 852, in which they certified that:
   - the Separate Financial Statements and the Consolidated Financial Statements of the Group at 31 December 2025 give a true and fair view of the statement of financial position, profit and loss and cash flows for the year then ended in accordance with IAS/IFRS and the measures issued in implementation of Article 9 of Italian Legislative Decree No. 38/05;
   - the Directors' Report and the information pursuant to Article 123-bis of the ICFA contained in the Report on Corporate Governance and Ownership Structure are consistent with the Separate Financial Statements and the Group's Consolidated Financial Statements and have been prepared in accordance with the law;
   - the opinion on the Separate Financial Statements and the Consolidated Financial Statements expressed in the aforesaid Reports is consistent with that indicated in the Additional Report prepared pursuant to Article 11 of EU Regulation No. 537/2014;
   - the Financial Statements have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation (EU) No. 2019/815;

- the Group's Consolidated Financial Statements have been prepared in XHTML format and marked up, together with the notes to the financial statements, in all significant aspects, in accordance with the provisions of Delegated Regulation (EU) No. 2019/815.

In light of the above, the Board acknowledges having received from the Independent Auditors and having reviewed in dedicated meetings the results of the attestation of the compliance of the Sustainability Report and having prepared our own considerations to be sent to the Board of Directors.
The Independent Auditors also declared that they have verified, to the extent of their competence and in accordance with Articles 8 and 18, paragraph 1, of Italian Legislative Decree No. 125 of 6 September 2025, the Sustainability Report for the 2025 financial year prepared in accordance with article 4 of the same decree and included in the specific section of the Directors' Report.
The Independent Auditors also issued a limited assurance report, in which it confirmed that the sustainability reporting has been prepared, in all material respects, in accordance with the provisions of Italian Legislative Decree No. 125/2025 and the reporting standards adopted by the European Commission pursuant to Directive 2013/34/EU (European Sustainability Reporting Standards – ESRS).
In the same report, the Independent Auditors further stated that no matters had come to its attention that would lead it to believe that the information contained in the section "EU Taxonomy" of the consolidated sustainability reporting had not been prepared, in all material respects, in accordance with Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulation"). The aforementioned Reports issued by the Independent Auditors contain neither qualifications nor emphasis of matter paragraphs pursuant to Article 14, paragraph 2, letter d), nor any statements issued pursuant to Article 14, paragraph 2, letters e) and f), and Article 14-bis of Italian Legislative Decree No. 39/10.
On 25 March 2026, the independent auditors sent to the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, the Additional Report to illustrate the results of the statutory audit, the elements inherent in the process of planning and conducting the audit and the related methodological choices and compliance with ethical principles, pursuant to Article 11 of EU Regulation No. 537/2014: as reported in the opinion on the Financial Statements, this report does not contradict the same opinions, but reports on specific matters. It is worth mentioning here that, in addition to the so-called significant matters reported as "key audit matters", in the reports on separate and consolidated financial statements, no significant deficiencies in the internal control system in relation to the financial reporting process emerged that were worthy of being brought to the attention of those responsible for "governance".
On 25 March 2026, the Independent Auditors issued the annual confirmation of its independence pursuant to Article 6, paragraph 2, letter a) of EU Regulation No. 537/2014 and pursuant to paragraph 17 of the international auditing standard ISA Italia 260, which was sent on the same date to the Board of Statutory Auditors.
The Board of Statutory Auditors, also during the meetings with the Independent Auditors, did not receive any information from the latter on facts deemed objectionable and relevant to the performance of the statutory audit on the separate and consolidated financial statements.
During the financial year, on the basis of what was reported by the Independent Auditors, the Company and some of its subsidiaries appointed the Independent Auditors for services other than the statutory audit of the accounts.
Details of the fees attributable to the 2025 financial year related to the engagements performed by the Independent Auditors KPMG, the principal auditor of the ERG Group, as well as by companies belonging to its network in favour of the Company and its subsidiaries, are disclosed in the Company's Consolidated Financial Statements, as required by Article 149-duodecies of the Issuers' Regulation, in Note 53 to the Consolidated Financial Statements and in Note 34 to the Separate Financial Statements.
Audit services mainly concerned the statutory audit of the separate financial statements and the consolidated financial statements, as well as the limited review of the condensed interim consolidated financial statements.
Non-audit services were also provided, including compliance checks on separate accounting data ("unbundling"), verification procedures on quarterly data of subsidiaries, reviews of tax returns, assurance engagements relating to consolidated sustainability reporting, the Green Bond Report and bank covenants.
Overall, fees for statutory audit services amounted to EUR 1,478 thousand, while fees for non-audit services amounted to EUR 282 thousand, for a total of EUR 1,760 thousand.
During 2025, no engagements for non-audit services were awarded to companies within the KPMG network.
Engagements awarded to network companies, as in previous financial years, related to the statutory audit of reporting packages of certain foreign subsidiaries.
In addition, EUR 151 thousand was paid for statutory audit services provided by auditors outside the network of the parent company's auditor, namely PWC USA for the US companies.
For the purposes of the independence of the Independent Auditors, a cap is envisaged for the provision of permitted non-audit services, i.e. services other than those prohibited by Article 5 of EU Regulation No. 537/2014, equal to 70% of the average fee paid in the last three consecutive financial years for the statutory audit.
The Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, monitored the non-audit services during the financial year and notes that the threshold was not exceeded, standing at approximately 11%. For the purposes of calculating the cap, no account was taken of the activities which, although subject to prior approval, must be carried out by law and mandatorily assigned to an auditor.
The Independent Auditors only perform the tax activities related to the statutory audit assignment and therefore related to the signing of forms, VAT declaration and visa for use of credits in compensation, but do not perform any tax advisory activities as required by Article 5 of Regulation No. 537/2014.
The Board of Statutory Auditors, in its role as Internal Control and Audit Committee, has fulfilled the duties required by Article 19, paragraph 1, letter e) of Italian Legislative Decree No. 39/2010 (as amended by Italian Legislative Decree No. 135/2016 and Italian Legislative Decree No. 125/2025) and Article 5, paragraph 4 of EU Regulation No. 537/2014 concerning the prior approval of the aforesaid appointments, verifying their compatibility with the regulations in force and, specifically, with the provisions of Article 17 of Italian Legislative Decree No. 39/2010 and subsequent amendments, as well as with the prohibitions set forth in Article 5 of the Regulation referred to therein.
The Board of Statutory Auditors therefore examined the proposals and, where appropriate, its favourable opinion regarding the aforementioned appointments – having received prior confirmation from the relevant departments of the Company regarding the verification of the appropriateness of the proposed timeframes for the performance of the activities and the compliance of the fees – and having assessed the appropriateness and consistency of these favourably, also taking into account the greater effectiveness and efficiency of the work carried out for this purpose by

the same entity appointed to conduct the audit.
The Board of Statutory Auditors notes that the assessment process, when the Company and its subsidiaries entrust certain types of services to the independent auditors and their network, is regulated by a "Procedure for the assignment of audit engagements in ERG Group companies and the monitoring of additional services", which is aimed at ensuring that the independence requirement of the Independent Auditors is met and at regulating the aforementioned assessment process.

With reference to the topic of independence, the Board of Statutory Auditors has:

- verified and monitored the independence of the independent auditors, pursuant to Articles 10, 10-bis, 10-ter, 10-quater and 17 of Italian Legislative Decree No. 39/2010 and Article 6 of EU Regulation No. 537/2014, ascertaining that the independence of the independent auditors was in compliance with the relevant regulatory provisions and that the engagements for non-audit services conferred to the independent auditors did not appear to be such as to give rise to potential threats to the auditor's independence and to the safeguards set forth in Article 22-ter of Directive No. 2006/43/EC;
- examined the transparency report and the additional report prepared by the independent auditors in compliance with the criteria set forth in EU Regulation No. 537/2014, noting that, on the basis of the information acquired, no critical aspects emerged in relation to the independent auditors' independence;
- received confirmation in writing, pursuant to Article 6, paragraph 2, letter a) of EU Regulation No. 537/2014, that the Independent Auditors, during the period from 1 January 2025 to the time of issue of the declaration, did not encounter any situations that may compromise its independence within the meaning of Articles 10 and 17 of Italian Legislative Decree No. 39/2010, as well as 4 and 5 of EU Regulation No. 537/2014 and the IESBA Code of Ethics;
- discussed with the Independent Auditors the risks to its independence and any measures taken to mitigate them, pursuant to Article 6, paragraph 2, letter b) of EU Regulation No. 537/2014.

VI. The Board of Statutory Auditors monitored transactions involving the purchase and disposal of treasury shares, verifying their compliance with legal provisions and shareholders' resolutions, as well as the adequacy of the related disclosures in the Directors' Report.

VII. From the date of the previous report (25 March 2025) up to the date of this Report (25 March 2026), no complaints have been received pursuant to Article 2408 of the Italian Civil Code.

VIII. From the date of the previous report (25 March 2025) up to the date of this Report (25 March 2026), no notices have been received.

IX. During the 2025 financial year, the Board of Statutory Auditors expressed its opinion in all those cases in which it was requested to do so by the Board of Directors, also in compliance with the regulatory provisions requiring prior consultation with the Board of Statutory Auditors.

X. As part of its supervisory duties, the Board of Statutory Auditors reviewed during the financial year the proposals concerning the remuneration policy and its implementation, as previously assessed by the Nominations and Remuneration Committee. In particular, it took note of the determinations relating to the remuneration of Executive Directors, verifying the level of achievement of the targets linked to the variable component of remuneration, including those related to sustainability parameters.
The Board also monitored the structure of the Long-Term Incentive (LTI) plan 2024-2026 and the short-term incentive system (MBO), with reference to the definition of the related objectives, targets and access conditions. It also reviewed the appropriateness of the remuneration awarded, including in light of benchmarking analyses against market practices. The remuneration system, implemented on the proposal of the Nominations and Remuneration Committee, provides for the allocation of remuneration consisting of a fixed component and a short-term variable component linked to the economic and sustainability-related results achieved at Group level and correlated to pre-established specific objectives (including individual objectives), together with participation in the Company's medium- and long-term incentive plans based on financial instruments (performance shares), in favour of certain managers in key positions, including Key Managers, as illustrated in the Report on the remuneration policy and fees paid, which will be published in accordance with Article 123-ter of the ICFA on the Company's website. The Committee also verified that the ERG Group's remuneration infrastructure was aligned with the strategic plan and with the sustainability, innovation and motivation objectives of the corporate scope.
In accordance with the provisions of the Related Parties Regulation, as implemented in ERG's Procedure for Related Party Transactions, the approval of the Remuneration Policy by the Shareholders' Meeting, defined on the proposal of the Nominations and Remuneration Committee, exempts the Company from applying the aforesaid procedure in the resolutions of the Board of Directors concerning the remuneration of Directors and Other Key Managers provided that the relevant remuneration is in line with the aforementioned Policy and quantified on the basis of criteria that do not involve discretionary assessments.

XI. The Board of Statutory Auditors has overseen compliance with the law and the Articles of Association, as well as endorsement of the principles of proper administration, through participation in meetings of the Board of Directors and internal committees, meetings with the Manager responsible for preparing the company's financial reports, with the Head of Group Administration, the Chief Audit Officer, the Head of Corporate Affairs, 231 Compliance & Privacy, management hearings, and the acquisition of information. The Board ensured that the operations approved and carried out by the directors were in line with the aforementioned rules and principles, as well as being based on principles of economic rationality and not manifestly imprudent or risky, free from conflicts of interest with the Company, in accordance with resolutions passed by the Shareholders' Meeting, and not such as to compromise the integrity of the company's assets. The Board believes that the governance tools and institutions adopted by the Company represent a valid safeguard for compliance with the principles of proper administration.

XII. Oversight of the adequacy of the Company's and the Group's organisational structure was carried out through the acquisition of information on the administrative and operational structure, as well as through the exchange of data and information with the heads of the various corporate functions, the Internal Audit function and the Independent Auditors.
The organisational structure of the Company and the Group is defined and implemented by the Chief Executive Officer also through a system of delegated powers and authorities, with the identification of managers responsible for the various functions and business units and the assignment of powers consistent with their respective responsibilities.

XIII. With reference to the supervision of the adequacy and effectiveness of the internal control system, also pursuant to the current Article 19 of Italian Legislative

Decree No. 39/2010, the Board held periodic meetings with the head of the Internal Audit function and other corporate functions and the related meetings with the Control, Risk and Sustainability Committee and with the Supervisory Board, pursuant to the organisational model provided for by Italian Legislative Decree No. 231/2001 adopted by the Company (the "231 Model").

The Board found that the Company's internal control and risk management system is based on a structured and organic set of rules, procedures and organisational structures aimed at preventing or limiting the consequences of unexpected results and enabling the achievement of strategic and operational objectives (i.e. consistency of activities with objectives, effectiveness and efficiency of activities and safeguarding of corporate assets), compliance with applicable laws and regulations (compliance) and correct and transparent internal and market information (reporting).

Considering the audit activities conducted by the Audit function, we have taken note of the results of the activities of Risk Assessment, which confirmed the adeguacy of the internal control system designed to manage risks.

We have, in due course, examined in detail the results of the audits conducted during the financial year and the follow-ups to audits from previous financial years, as well as the progress of the remedial actions.

We have noted and agreed that the internal control and system for the Group's risks as a whole is adequate.

In relation to the 2025 financial year, in accordance with the provisions of Article 6, Recommendation 33, letter a), of the Corporate Governance Code, the Board of Directors carried out an overall assessment of the adequacy of the internal control and risk management system, including the coordination procedures between the various parties involved in the system, based on the information and evidence gathered, with the support of the investigative activity of the Control, Risk and Sustainability Committee, and considered that the system as a whole is suitable to allow, with reasonable certainty, an adequate management of the main risks identified.

The Company, also at Group level, operates a comprehensive system of tools supporting operational and compliance objectives. In particular, structured planning, management control and reporting systems are in place, as well as a corporate risk management system based on the principles of Enterprise Risk Management (ERM). During the 2025 financial year, the Group continued to identify, assess and monitor the main risks as part of the Enterprise Risk Management (ERM) system. This process includes the definition of the relevant risk management policies, continuous verification of the effectiveness of the risk control system and periodic sharing of risk assessment results with management. The ERM model is subject to periodic updates, in line with developments in the Group's operating environment and activities.

The risk management system is designed to contribute to safeguarding the Company's assets and to support strategic decision-making, taking into account current and prospective risks, including in the medium to long term.

In the current macroeconomic environment, the Group continues to monitor the effects of the conflict in Ukraine and other relevant geopolitical developments. At the date of this Report, there are no direct credit exposures to Russian or Ukrainian counterparties, nor any significant operational issues, notwithstanding the presence of certain assets located in Eastern Europe.

In light of its operations, the Group adopts a risk classification structured into four main categories: strategic, financial, operational and compliance risks.

These controls are complemented by the accounting control model pursuant to Italian Law No. 262/2005, aimed at ensuring an adequate level of effectiveness in preventing the main risks associated with financial and non-financial reporting, in line with the Internal Control over Financial Reporting Operating Manual and the criteria established by the COSO – Internal Control Integrated Framework, as updated also in light of the most recent guidance on sustainability reporting controls.

The Company has also adopted an organisational, management and control model pursuant to Italian Legislative Decree No. 231/2001, as well as an Anti-Corruption Policy and a Group Code of Ethics, aimed at preventing offences relevant for the purposes of administrative liability of entities. The Supervisory Body carried out oversight activities on the functioning of and compliance with the "231 Model", verifying its adequacy in relation to the applicable regulatory framework, monitoring regulatory developments, the implementation of staff training initiatives and compliance with protocols by the relevant parties, also with the support of the Internal Audit function.

During 2025, the Company also continued its employee training programme on personal data protection and GDPR, with particular focus on the general principles of EU regulation, data subject rights, data transfers, breach management and individual employee accountability.

With regard to market abuse and internal dealing, the Company has adopted specific procedures and regulations, updated in line with CONSOB requirements, aimed at governing the obligation to refrain from transactions in financial instruments issued by the Company during blackout periods provided for by law and ensuring the proper management of sensitive information. The Procedure for the internal management of relevant and inside information and for the disclosure of inside information to the market is also in force, updated by the Board of Directors to incorporate CONSOB recommendations and to introduce the Relevant Information List, aimed at identifying and monitoring information that may qualify as inside information.

The Board of Statutory Auditors monitored compliance with disclosure obligations relating to regulated, relevant and inside information, as well as compliance with the requirements of the legislation on market abuse and savings protection, with particular regard to procedures for the management and dissemination of information to the market. The Board also monitored compliance with the policies, guidelines and procedures in force in the Group and the company processes, the outcome of which is submitted to the attention of the Board of Directors.

In light of the supervisory activities carried out, the Board considers that the internal control and risk management system is overall adequate and capable of ensuring the safeguarding of the Company's assets, the efficiency of business processes, the reliability of financial reporting and sustainability reporting, as well as compliance with laws, the Articles of Association and internal procedures. The Board has also verified that the planning process is supported by appropriate information systems and procedures that allow for the reliable reconciliation of the main financial and non-financial information with the outputs of the information systems of the subsidiaries.

XIV. The Board also supervised the adequacy and reliability of the administrative and accounting system in correctly representing management events, obtaining information from the heads of the respective functions, examining company documents and analysing the results of the work performed by the independent auditors. The Manager responsible for preparing the company's financial reports has been jointly assigned the functions established by law and provided with adequate powers and means to perform the related tasks. Furthermore, the Chief Executive Officer, through the Manager responsible for preparing the company's financial reports, is tasked with implementing the "Accounting Control Model pursuant to Italian Law No. 262/2005" aimed at defining the guidelines that must be applied within the ERG Group with reference to the obligations arising from Article 154-bis of the ICFA regarding the preparation of company accounting documents. This also includes the implementation of guidelines for sustainability reporting included in the directors' report, in compliance with ESRS standards and related certification obligations. The preparation of accounting and financial reporting, both statutory and consolidated, is governed by the Group accounting principles manual and other administrative-accounting procedures that are part of the Model pursuant to Italian Law No. 262/2005.

The Board of Statutory Auditors has taken note of the findings of the audit work carried out by the Audit Department in relation to the controls over processes relevant to the scope of administrative and financial governance, namely the absence of any material issue.

The procedures concerning the impairment process in compliance with IAS 36 are also formalised within the framework of the Model pursuant to Italian Law No. 262/2005.

ERG's Board of Directors approved the setting up of the impairment test procedure in compliance with the requirements of IAS 36, autonomously and in advance of the approval of the financial reports.

The Board of Statutory Auditors reviewed the impairment testing process carried out by the Company on goodwill and intangible assets for the purposes of preparing the financial statements, verifying its compliance with International Accounting Standard IAS 36, also in light of the recommendations issued by the European Securities and Markets Authority (ESMA) and the guidance contained in the joint document of the Bank of Italy, CONSOB and ISVAP No. 4 of 3 March 2010, as well as subsequent CONSOB communications.

The Board noted that the relevant procedure was approved by the Board of Directors on 25 February 2026, following a favourable opinion from the Control, Risk and Sustainability Committee.

For the purposes of assessing the recoverability of assets, the Group identified its operating segments based on geographical areas of operation and energy generation technologies (wind and solar), identifying twelve groups of Cash Generating Units (CGUs) consistent with the Group's organisational and business structure.

The recoverable amount of the CGUs to which goodwill is allocated was determined primarily using the discounted cash flow method and, where deemed more appropriate, using cash flow to equity or Fair Market Value. The estimates were developed on the basis of updated key economic parameters and business assumptions relating to the "asset-based" perimeter over the 2026-2029 time horizon, reviewed by the Board of Directors on 11 March 2026, as well as forward-looking macroeconomic and energy scenarios for subsequent financial years.

The assessments took into account the main sources of uncertainty related to the geopolitical, energy and regulatory environment, including developments in the energy scenario over the medium to long term, trends in discount rates, climate risks and potential regulatory developments. In line with the ESMA Public Statement of 14 October 2025 referred to above, consideration was also given to the main underlying macroeconomic variables and the need to ensure clear and consistent financial reporting, including with regard to the impact of current economic and geopolitical uncertainties on financial statement valuations and the disclosure of operating segments under IFRS 8.

The Board noted that the assumptions used reflect, in accordance with IAS 36, management's best estimates at the reporting date, based on reasonable and substantiated information. The recoverable amount of the CGUs was determined on the basis of business plans and long-term forecast cash flows consistent with the useful life of the underlying assets, in some cases exceeding twenty years.

The Board also noted that, subsequent to the reporting date, events occurred that may potentially affect the macroeconomic environment and the energy sector, including the enactment of Decree-Law No. 21 of 20 February 2026 (the so-called Energy/Bills Decree) and the outbreak of conflict in the Middle East. Given the level of uncertainty associated with these events and their potentially offsetting effects, it was not considered possible, as at the date of preparation of the financial statements, to reliably determine any structural impact on the cash flows used in the valuations.

Sensitivity analyses were also performed with respect to variables characterised by greater uncertainty, including expected energy prices and the financial parameters used to determine discount rates, which are defined on a specific basis for each group of CGUs, updated at least semi-annually and including a country risk component.

The analyses performed showed, for the majority of the CGUs examined, a positive difference (headroom) between recoverable amount and carrying amount.

With reference to the Spanish solar CGU, management considered that the high volatility of energy prices and the uncertainty of market scenarios made it appropriate to determine the recoverable amount using a Fair Market Value approach, consistent with the methodology adopted in the previous financial year and supported by a valuation performed by an independent expert, classified as Level 3 within the fair value hierarchy.

The updated analyses showed a reduction in the recoverable amount of solar assets in Spain, mainly attributable to the persistence of unfavourable market conditions and the revision of production levels at certain plants, resulting in the recognition of a total impairment of EUR 46 million, through the full write-down of the goodwill allocated to the CGU and a partial write-down of intangible assets with a finite useful life and of rights of use.

For solar assets in France, for which value in use was lower than the carrying amount at the reporting date, the recoverable amount was also determined using a Fair Market Value approach, which, however, exceeded the carrying amount.

With regard to the impairment test, the Board of Statutory Auditors supervised the preparatory work carried out, including by the Company's Control, Risk and Sustainability Committee, on the methodological framework to be applied for the impairment test at 31 December 2025, and analysed and discussed with Group management the estimates made on the basis of the available information and the assumptions referred to above, taking into account the supporting documentation and verifying consistency with the approaches previously adopted by the Company.

The Board of Statutory Auditors also supervised more generally the financial reporting process, including by obtaining information from the Company's management, and received from the Directors, on at least a quarterly basis, adequate information on the activities carried out and on the most significant economic, financial and equity transactions undertaken by the Company and its subsidiaries pursuant to Article 150, paragraph 1, of the ICFA.

The Board of Statutory Auditors considers the Company's administrative and accounting system to be adequate overall and reliable in correctly representing management events.

XV. The Board of Statutory Auditors monitored the adequacy of the instructions issued by the Company to its subsidiaries pursuant to Article 114, paragraph 2, of the ICFA, ascertaining, on the basis of the information provided by the Company, their suitability to provide the information necessary to fulfil the disclosure obligations required by law, without exceptions.

XVI. With regard to the verification of the procedures for the practical implementation of the corporate governance rules set forth in the current edition of the Corporate Governance Code, the Board performed this verification activity with the assistance of the Company's Legal and Corporate Affairs Department.

At its meeting held on 11 March 2026, which approved the Report on Corporate Governance and Ownership Structure, the Board of Directors verified that the Company was generally in line with the recommendations issued by the Corporate Governance Committee in its letter of 18 December 2025. The aforementioned recommendations immediately brought to the attention of the Chairman of the Company's Board of Statutory Auditors by the Chairman of the Board of Directors were shared at the Board meeting held on 25 February 2026.

The Report on Corporate Governance and Ownership Structure reports that ERG's governance structure is aligned with the provisions of the Corporate

Governance Code applicable to the Company, except for the sole case of non-application with reference to the assignment of the role of Director in charge of the Internal Control and Risk Management System to the Executive Deputy Chairman, as explained in detail in the Report itself.

In turn, the Board of Statutory Auditors examined the letter dated 18 December 2025 from the Chairman of the Corporate Governance Committee, as well as the assessments made and the decisions taken by the Company with respect to the recommendations contained therein, without making any particular observations in this regard. The Board of Directors, in the interest of the Company and its Shareholders, has promoted dialogue with Investors and, in accordance with the provisions of the Corporate Governance Code, has approved the "Policy for managing dialogue with institutional investors and with shareholders in general", as most recently updated on 23 February 2024 in order to extend its application to all Company stakeholders; following this update, the name was changed to the "Policy for the *Management of Dialogue with Stakeholders"* (hereinafter, the *"Engagement Policy")*.

The Engagement Policy was drawn up with the aim of ensuring that dialogue with Stakeholders takes place in compliance with current legislation, including that concerning the handling of inside information, and good corporate practice, and is marked by principles of fairness, transparency, timeliness and symmetry of information.

The Chairman of the Board of Directors, assisted by the Chief Executive Officer, ensures that the Board of Directors is promptly informed on the development and significant contents of the dialogue with Stakeholders, based on the provisions of the Engagement Policy.

As highlighted, following the endorsement of the updated *Corporate Governance Code*, on 13 May 2021 the Board of Directors adopted the Regulations for the operation of the Board of Directors, the Control, Risk and Sustainability Committee and the Nominations and Remuneration Committee, most recently updated on 15 May 2024.

Please refer to the Report on Corporate Governance and Ownership Structure for further information on the corporate governance of the Company regarding which the Board has no findings to make.

XVII.The Board of Statutory Auditors examined the Report on the remuneration policy and fees paid approved by the Board of Directors on 11 March 2026 at the proposal of the Nominations and Remuneration Committee and verified its compliance with legal and regulatory requirements, and the clarity and completeness of information with regard to the remuneration policy adopted by the Company.

XVIII. The Board of Statutory Auditors also examined the proposals that the Board of Directors resolved to submit to the Shareholders' Meeting on 11 March 2026, and declares that it has no observations to make in this regard, including the proposal to distribute a dividend.

XIX.Lastly, the Board of Statutory Auditors carried out its own checks on compliance with the legal provisions concerning the preparation of the draft Separate and Consolidated Financial Statements at 31 December 2025, the respective explanatory notes and the accompanying Directors' Report, directly and with the assistance of the department heads and through the information obtained from the Independent Auditors.

In particular, the Board of Statutory Auditors, based on the controls exercised and the information provided by the Company, within the limits of its competence pursuant to Article 149 of the ICFA, acknowledges that the Separate Financial Statements and the Consolidated Financial Statements of ERG at 31 December 2025 have been prepared in accordance with the legal provisions governing their formation and layout and with the International Financial Reporting Standards, issued by the International Accounting Standards Board, based on the text published in the Official Journal of the European Communities.

The Separate Financial Statements and the Consolidated Financial Statements are accompanied by the prescribed certifications, signed by the Chief Executive Officer and the Manager responsible for preparing the Company's financial reports.

The Board of Statutory Auditors is also required to oversee compliance with the requirements for the publication of the Sustainability Report, ensuring that the consolidated sustainability reporting included in the Directors' Report, as well as the report certifying compliance pursuant to Article 14-bis of Italian Legislative Decree No. 39 of 27 January 2010, are published in the manner and within the deadlines set out in Articles 2429 and 2435 of the Italian Civil Code and on the Company's website.

On the basis of the foregoing, in summary of the supervisory activity carried out in the 2025 financial year, and also taking into account the results of the activity carried out by the independent auditing firm, contained in the specific report accompanying the financial statements, the Board of Statutory Auditors did not find any specific critical aspects, omissions, reprehensible facts or irregularities and has no observations or recommendations to make to the Shareholders' Meeting pursuant to Article 153 of the ICFA, to the extent of its competence, on the resolution proposals formulated by the Board of Directors to the Shareholders' Meeting.

Genoa, 25 March 2026

The Board of Statutory Auditors

Monica Mannino Chairwoman

Giulia De Martino Standing Statutory Auditor

Dott. Fabrizio Cavalli Standing Statutory Auditor

INDEPENDENT AUDITORS' REPORT

KPMG S.p.A.
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(The accompanying translated separate financial statements of ERG S.p.A. constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014

To the shareholders of
ERG S.p.A.

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of ERG S.p.A. (the "company"), which comprise the statement of financial position as at 31 December 2025, the income statement and statements of comprehensive income, cash flows and changes in equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of ERG S.p.A. as at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing 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 "*Auditors' responsibilities for the audit of the separate financial statements*" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. 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 judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the

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context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of the provision for disposed businesses

Notes to the separate financial statements: Use of estimates - Risks and uncertainties and Note 12 - Provision for disposed businesses

Key audit matter	Audit procedures addressing the key audit matter
The separate financial statements at 31 December 2025 include the provision for disposed businesses of €80.6 million. With the support of the relevant internal departments and their legal and tax advisors, the directors estimated this provision, which chiefly relates to the estimated environmental, legal and tax liabilities relating to the "Oil" coastal refining and integrated downstream businesses, whose disposal was completed on 10 January 2018 with the sale of the investment in TotalErg S.p.A.. Measuring this provision is a complex activity, with a high degree of subjectivity, and entails directors' estimates about the outcome of the disputes and litigation of a civil, administrative and tax nature, in some cases dating back in time, the risk of losing, the timing for their settlement and the related effects on the separate financial statements. For the above reasons, we believe that the measurement of the provision for disposed businesses is a key audit matter.	Our audit procedures included: • updating our understanding of the process for the measurement of the effect of legal disputes and assessing the design and implementation of controls and procedures; • analysing the discrepancies between past years' estimates of the effect of legal disputes and actual figures resulting from their subsequent settlement, in order to check the accuracy of the estimation process; • sending written requests for information to the advisors assisting the company and to the internal legal department about the assessment of the risk of losing pending disputes and the quantification of the related liability; • for the main disputes subject to estimate, updating the analysis of the assumptions used to determine their effect through discussions with the relevant internal departments and analysis of the supporting documentation; • for the main disputes subject to estimate, discussing assumptions or scenarios alternative to those used to calculate the effect of legal disputes and the reasons for their rejection with the relevant internal departments; • analysing the events after the reporting date that provide information useful for an assessment of the provision for disposed business; • assessing the appropriateness of the disclosures provided in the notes about this provision.

Other matters - Management and coordination

As required by the law, the company disclosed the key figures from the latest financial statements of the company that manages and coordinates it in the notes to its own separate financial statements. Our opinion on the separate financial statements of ERG S.p.A. does not extend to such data.

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Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements

The directors are responsible for the preparation of separate financial statements that give a true and fair view the IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian 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 for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

Auditors' responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate 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 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 these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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;
- obtain 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude 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 auditors' report to the related disclosures in the separate 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;

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- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level 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 identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 23 April 2018, the company's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2018 to 31 December 2026.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.

Report on other legal and regulatory requirements

Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815

The company's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2025 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2025 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2025 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

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We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the compliance of the directors' report, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the directors' report and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2025.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the directors' report and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.

Our opinion on compliance with the applicable law does not extend to the report on operations' section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Genoa, 25 March 2026

KPMG S.p.A.

(signed on the original)

Andrea Carlucci
Director of Audit

ERG S.P.A.

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company subject to limited management

and coordination by SQ Renewables S.p.A.

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