

**INTEGRATED
ANNUAL
REPORT**

2024

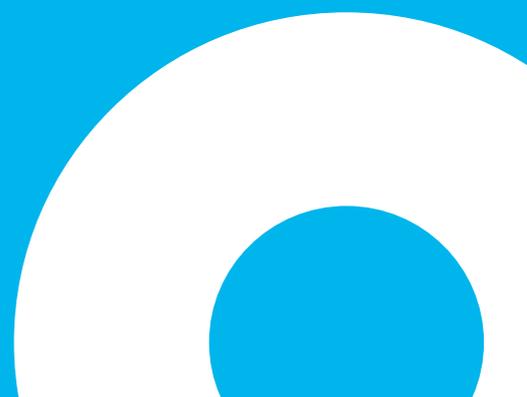


CVA.

Compagnia Valdostana delle Acque S.p.A.
Compagnie Valdôtaine des Eaux S.p.A.

Abbreviated to
"CVA S.p.A. a s.u."

**Consolidated and Separate
Financial Statements at
31/12/2024**



Company data

Legal Form	Sole shareholder joint-stock company
Registered Office	Châtillon (AO), Via Stazione, 31
Share capital	Euro 395,000,000.00 fully paid-in
Tax ID. and VAT number	01013130073
Registered with the Office of the Register of Companies of Aosta	61357

Website: www.cvaspa.it

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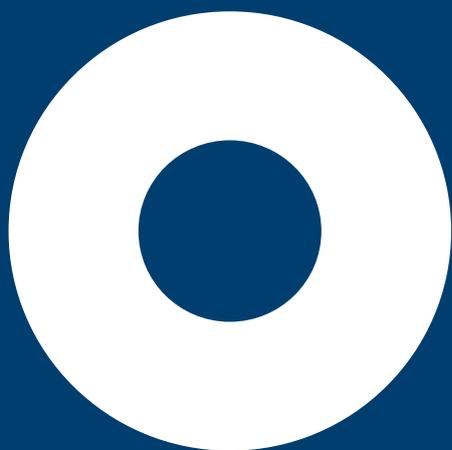
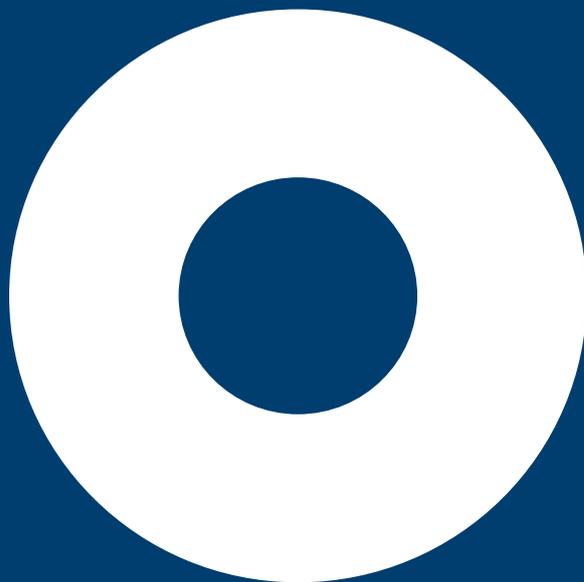
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CORPORATE BODIES

Board of Directors

Chair of the Board of Directors

Marco Cantamessa

Chief Executive Officer

Giuseppe Argirò

Directors

Valeria Casali

Marzia Grand Blanc

Fabio Marra

Board of Statutory Auditors

Chair of the Board of Statutory Auditors

Massimo Scarrone

Standing Auditors

Federica Paesani

Carmelo Marco Termine

Alternate auditors

Cristina Betta

Davide Casola

Independent Auditors

EY S.p.A.

Supervisory Body Legislative Decree 231/2001

Chair of the Supervisory Board

Vincenzo Scipioni

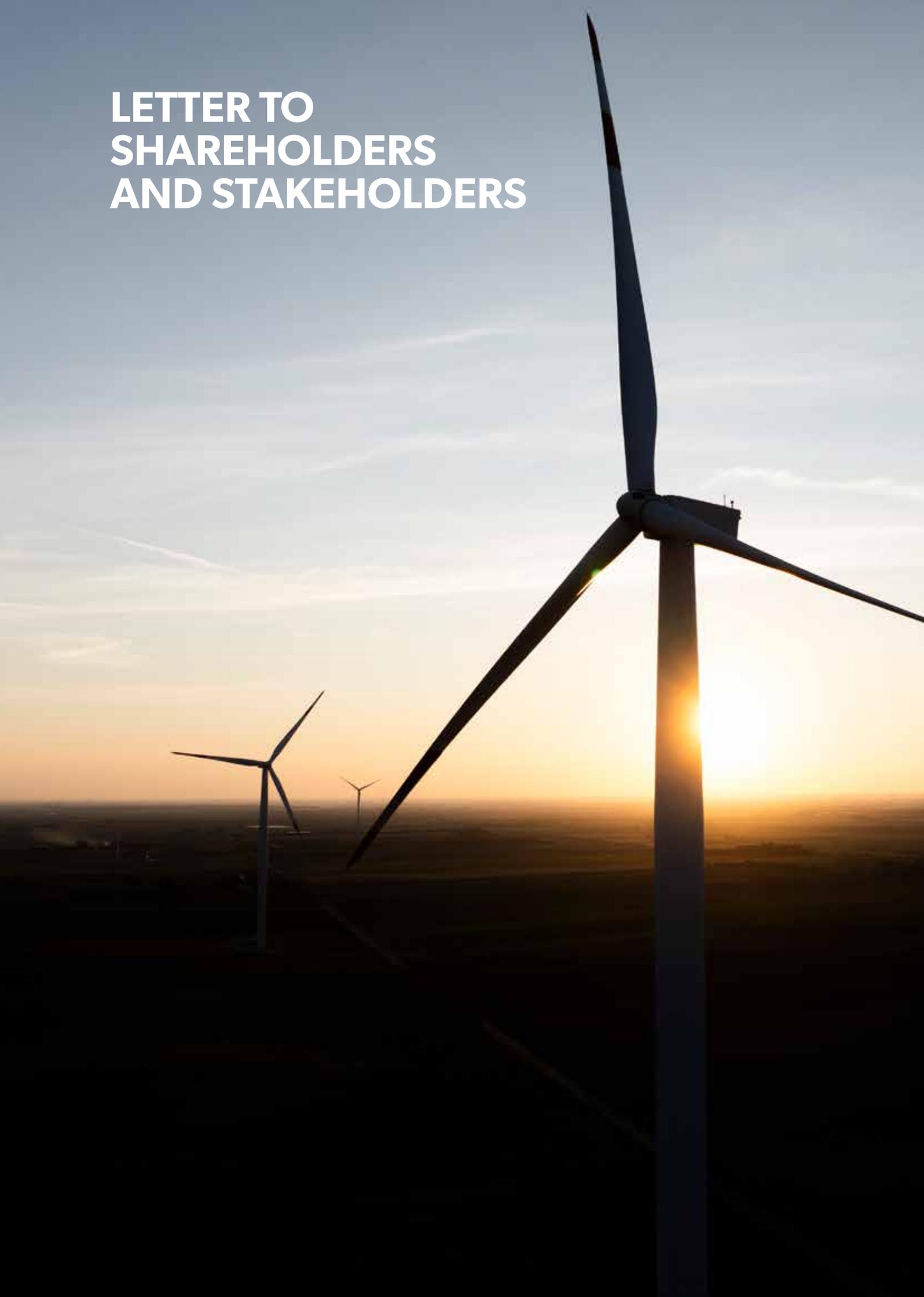
Member of the Supervisory Board

Nicola Distasi

Member of the Supervisory Board

Federico Massa

LETTER TO SHAREHOLDERS AND STAKEHOLDERS



Dear Shareholders and Stakeholders,

For the first time, we are jointly addressing you to comment on the past year, with a single annual report that integrates environmental, social, and corporate governance aspects into the management report in line with the application of the Corporate Sustainability Reporting Directive (CSRD) starting from this financial statement.

The 2024 Financial Statements mark the end of the current Board of Directors' three-year term, achieving record results for the Group, along with continued growth in both financial and industrial performance, as well as significant achievements in sustainability. This achievement is all the more remarkable, considering the global context still marked by geopolitical instability and the complex challenges posed by the energy transition. Indeed, the transition encounters alternating periods of acceleration and deceleration along its path. Nevertheless, in Europe at least, it remains an unavoidable process, made possible by the development of enabling technologies that enhance its competitiveness.

The end of the three-year period highlighted two crucial phases in the Group's strategic growth: handling the Russian gas energy shock, with its financially disruptive and hazardous repercussions, and realising the potential of the updated Strategic Plan after overcoming TUSP constraints, which enabled the concrete implementation of the generation source diversification strategy approved in the prior three-year term. In line with the EU's decisions and the planning outlined in the PNIEC, the Strategic Plan has been quantitatively enhanced, raising the overall target from the previous 804 MW to the current 1000 MW.

As for the energy shock, the initial management challenge for the Board of Directors was to address the dramatic financial effects of rising prices, while keeping the impact of margin calls under control—an issue that led to a dramatic impact on industry operators, with bankruptcies and last-minute public bailouts. Afterwards, the challenge moved to using the price increases as a competitive advantage to tap into market opportunities, creating value for the shareholder while bolstering the Group's solidity, so as to be able to face a strategic phase today characterised by diversification and, subsequently, the phase of allocating concessions for large hydroelectric derivations, in whatever manner it occurs. All this was made possible by a clear analysis of the market framework in response to the price shock, a strategic financial evaluation, and the ability to take on significant responsibilities through strategic, financial, and operational decisions, as well as through proactive, integrated, and participative management of portfolio choices. Throughout the three-year period, these decision-making processes have directly and consistently involved the Board of Directors alongside the operational structure, laying the groundwork for the significant achievements your company has accomplished today.

The energy market has traditionally been complex, positioned between relentless technological innovations, the interplay of established and occasionally conflicting interests along the value chain, geopolitical instability, and complex, volatile regulatory changes that are not always consistent with the declared sustainability objectives. The visible effect of ongoing climate change should also be remembered. These changes alter the energy output potential of various renewable sources from year to year, complicating forecasting and necessitating the choice to diversify by generation technologies. Not only that, in particular in Alpine regions, climate change leads to dramatic and in some ways irreversible effects, making the management of hydroelectric plants particularly critical.

From a climatic perspective, 2024 demonstrated the effects of ongoing change with an unprecedented rise in global temperatures. In our country, this has resulted in significant water inflows, a general decrease in windiness, and extreme weather phenomena. Phenomena, the latter, which heavily involved the territory of the Valle d'Aosta Region and your company's hydroelectric plants on 29 and 30 June 2024. The installations, thanks to the extraordinary commitment and professional calibre of all personnel, emerged with minimal damage, were swiftly restored, and played an active role in containment, lamination, and safety for the benefit of the region.

Today's financial statements underscore the validity of the model embraced by the corporate group your company heads, founded on clean energy, technological innovation, and the creation of shared value. In a rapidly changing market, we continue to distinguish ourselves through our capacity for sustainable growth, operational resilience and positive impact on the territories.

Corroborating the growth trajectory established throughout this three-year period by the Company and the Group, CVA's primary economic and financial indicators exhibited further improvement in 2024. Regarding the consolidated economic and financial results, the gross operating margin (EBITDA) for the first time exceeded Euro 400 million, reaching Euro 415 million, representing a 43% rise from the previous year and a 193% increase compared to Euro 141.5 million in 2021, the year before the onset of the current three-year term of your Board of Directors.

These results were chiefly driven by the Hydroelectric Business Unit's performance. These results were chiefly driven by the Hydroelectric Business Unit's performance, having benefited from substantial water inflows and which counterbalanced the noted reduction in windiness for the Other RES Business Unit's. Until the Strategic Plan will be completed, Hydro remains the most significant Business Unit. Consolidated net profit amounted to Euro 213 million, an increase of 35% compared to 2023 and 60% compared to 2021. The return on equity (ROE) increased to 22.19%, while the return on investment (ROI) reached 19.7%.

We have invested a total of Euro 283 million towards achieving the goals of the Group's Strategic Plan, with a large part directed at the development and construction of new renewable energy plants and the upgrading of our existing infrastructure, with a growing emphasis on efficiency and digitalisation.

On the financial front, the Net Financial Position remained under control, standing at Euro 576 million as of 31 December 2024 (compared to Euro 568 million the previous year), with a Net Debt/EBITDA ratio of 1.39. This result reflects our capital strength and our focus on proper resource management, with a prudent approach to leverage, while making it more efficient in terms of proper industrial development. It is important to note that for companies developing plants from renewable sources, the banking and financial sectors regard this ratio as normal up to a value of 5-6. In the case of Italian multi-utilities, this value averages between 3 and 4. These brief elements demonstrate that, despite the rapid development over the past two years, the balance between managing the various requirements of the Group's strategic plan and management within a complex transformation process has secured performance among the best in the sector in Italy.

The main industrial transactions of the year encompassed the installation or acquisition of 116 MW of new renewable energy across thirteen regions, the acquisition of 60% of Sunnerg Group S.r.l. and its subsidiary entities, along with acquiring the remaining 40% stake in Renergetica S.p.A.

Sustainability remains at the heart of our strategy. In the current scenario, where decarbonisation policies do not always progress in line with what is declared by the government in the PNIEC programming, and are at times penalised or obstructed by the complexities of the permitting process, we have pursued our business model by structuring ourselves along the entire value chain, from the origination of projects to the construction and operation of plants. We are "Renewable ever since", and our energy supports the regional, national and European energy transition. Within the ESG framework, we have also stepped up actions to allocate value to local communities, assist vulnerable groups, and offer educational and training initiatives targeting employees and local communities.

The results achieved and the solidity of our model allow us to propose to the Shareholders' Meeting a total dividend of Euro 85 million, an increase of 13.3% compared to last year, with a clear sign of confidence in the future.

We conclude by thanking the nearly 1,000 individuals who contribute daily with passion and expertise to the success of our Group. It is thanks to them that we can continue to build a cleaner, fairer, and more sustainable energy future.

With esteem and gratitude,

Marco Cantamessa

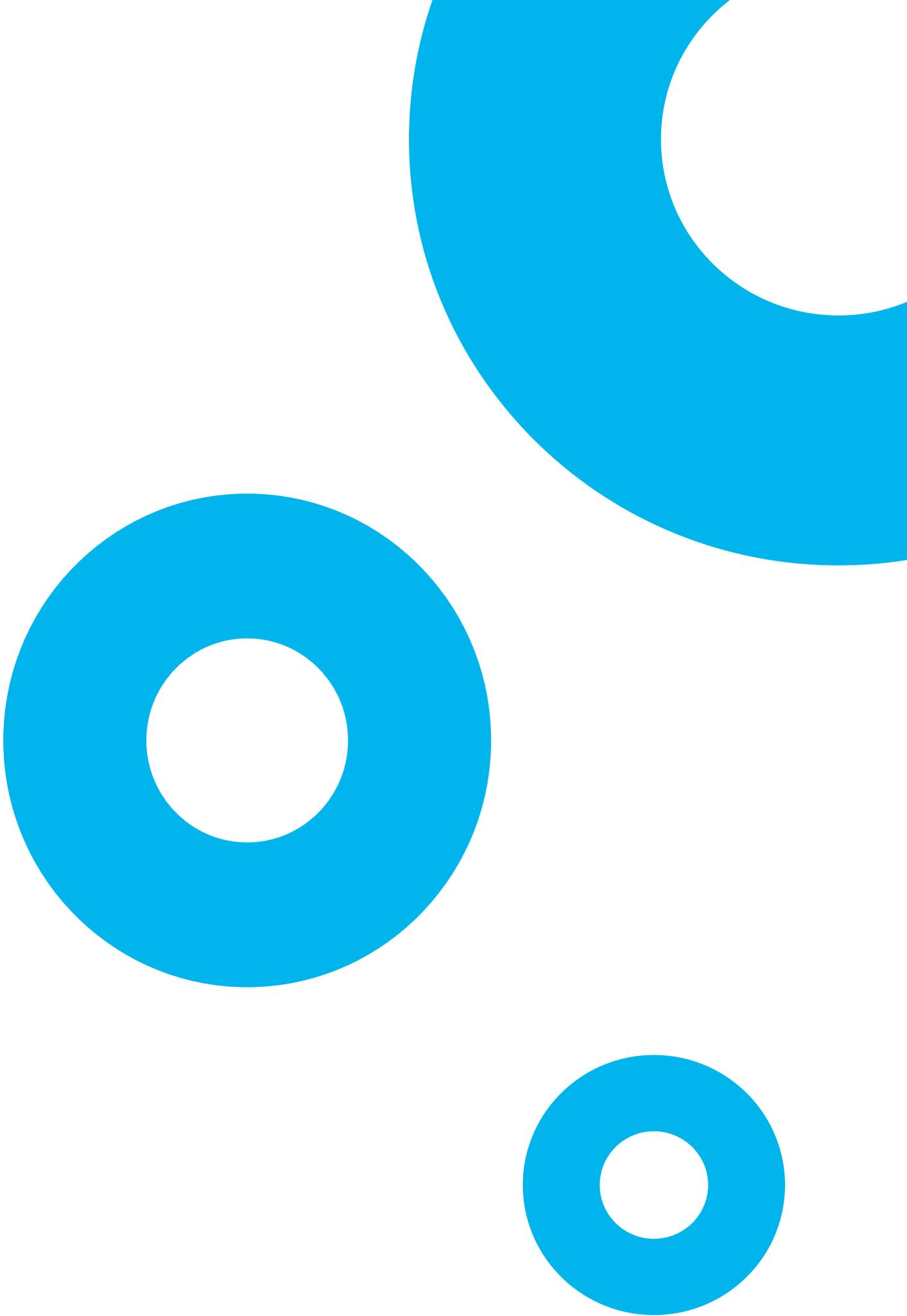
Chair



Giuseppe Argirò

Chief Executive Officer





REPORT ON OPERATIONS



CVA Group

The CVA Group, named after the parent company CVA S.p.A. (a Public Interest Entity as the issuer of two bonds listed on the Euronext Regulated Market of Dublin) is one of the most important Italian companies active in the green energy sector. The Group qualifies as the only **100% green integrated Italian operator and is entirely controlled, indirectly, by the Valle d'Aosta Region.**

The history of CVA S.p.A. a.s.u. (hereinafter "**CVA**" or the "Company" or the "Parent Company") and of the CVA Group can be summarised in a few key stages.

The creation of CVA dates back to the liberalisation of the electricity market that took place thanks to Legislative Decree 79/99 ("Bersani Decree") and the consequent obligation of Enel to sell certain electricity production assets to other operators through the so-called "Genco". With reference to Valle d'Aosta, with a far-sighted and highly opportune operation, the Autonomous Region of Valle d'Aosta (hereinafter "Region" or "RAVDA") initiated negotiations with the former monopolist for the acquisition of all hydroelectric plants located within the Region's territory, successfully completing the operation in 2001 through CVA, a company that, for its "Vision" and industrial vocation, will soon become one of the main national producers of energy from renewable sources.

Over the following ten years, the CVA Group concentrated on its own hydroelectric plants, consolidating its management and operating capabilities and dedicating its investments to their ordinary and extraordinary maintenance and, when necessary, to their renewal. At the same time, the activity of selling electricity was developed, initially in the Business market, with the aim of acquiring important customers in the banking and large-scale retail sectors, subsequently opening up to the domestic market of Valle d'Aosta. In these years, thanks to the positive results achieved at the industrial level and, above all, to the Shareholder's decision to contribute to the consolidation of the Group's assets with a policy of reinvesting profits, the Parent Company saw its financial position improve.

Starting from 2009, the CVA Group recognised the limited opportunities for development in the hydroelectric sector due to the congestion of water resources, the enactment of regional regulations that limit exploitation, and uncertainties related to the renewal of concessions, and decided to initiate a strategy of production diversification with reference to the business of electricity generation. The Group therefore turned to the acquisition of photovoltaic and wind energy production plants, thanks to the European and national regulations aimed at promoting the development of renewable sources and decarbonisation, and to the consequent and very favourable incentive mechanisms introduced into the system.

In 2009, the CVA Group acquired its first photovoltaic plant in Alessandria, followed by the one in Valenza; development activities continued in a considered manner - but always with a view to diversifying the risk of production, so as to cope with years of poor water levels - until 2018, with the acquisition of the Pontedera and Monteverde wind farms and achieving a total "non-hydroelectric" capacity of 170 MW, reported under the business unit named "Other RES".

In the following years and up to 2022, as a result of regulatory rigidities related to compliance with the Consolidated Law on Publicly Owned Companies (the "TUSP" - Legislative Decree No. 175 of 19 August 2016), the Group continued to develop its "Other RES" production capacity starting from the origination (with the identification of the possible suitable area and the start of the authorisation process) of the project, and with a longer timeframe compared to the purchase of plants already built. These regulatory rigidities were overcome with the entry into force of D.L. No. 50 of 17 May 2022, converted by Law No. 91 of 15 July 2022, which, due to an amendment to the TUSP, allowed CVA S.p.A. to be regarded as a "listed company" within the meaning of the TUSP, as it was an issuer of a bond listed on a regulated market prior to 31 December 2021, thereby enabling it to benefit from the exemptions the TUSP granted to "listed companies".

The simultaneous occurrence of the energy crisis, which saw prices in 2022 reach levels unseen in past decades, alongside the climate crisis, with Europe experiencing a drought of unparalleled intensity in recent centuries (according to the European Drought Observatory, it was the worst episode in the last 500 years, with 47% of Europe's land in a critical state and an additional 17% on alert), induced the CVA Group to accelerate its diversification process.

Consequently, also as a result of the reduced regulatory constraints, the Group revised its industrial objectives and resolved to update its strategic plan by laying the foundations on the Group's already consolidated businesses (hydroelectric, distribution, sales) and maintaining the strategic lines already identified since 2021. It identified growth targets for each of the Group's business units and, in particular, with reference to the business unit (hereinafter the "Strategic Plan"):

- **Hydroelectric:** provides for the revamping of the Hône II and Chavonne hydroelectric plants, the construction of the Morgex plant, and activities for the planning of investments on the plants, in view of the reallocation of concessions;
- **Other RES:** envisages entrusting the subsidiary CVA EOS with the role of sub-holding company with the task of pursuing the Group's strategy of technological and geographical diversification in the production of electricity, with the aim, over the course of the Strategic Plan, of reaching an installed capacity of 1,000 MW. This is alongside the creation of an industrial structure that consolidates the expertise in origination, development, engineering, procurement, construction and industrial management of energy production plants from wind and photovoltaic sources, capable of leveraging these skills in the market;
- **Distribution:** provides for the subsidiary DEVAL, also with the support of funds made available under the NRRP, to upgrade and digitalise its electricity distribution infrastructure with attention to the possible reassignment of the concession;
- **Sales:** involves, in the commercial sphere, a focus on optimising the Business Customer portfolio, paying attention to the marginality of individual orders and the mitigation of counterparty risks. The activity also encompasses the initiation of new contractual tools for managing medium to long-term customer relationships (Power Purchase Agreements (PPAs) and/or participation in Energy Release programmes) in synergy with CVA EOS's new pipeline implementation activities;
- **Energy Efficiency:** provides, in the awareness that activities in the energy efficiency sector are key activities in the context of the energy transition, to entrust the subsidiary CVA Smart Energy with the role of sub-holding and to develop a 'platform' business model that sees activities managed by specific corporate vehicles, maximising synergies between these vehicles and the other companies of the CVA Group, leveraging their respective specificities in terms of skills and markets covered.

The corporate structure of the CVA Group

As at 31 December 2024, the CVA Group consisted of the parent company CVA S.p.A. and the subsidiaries listed in the "Scope of Consolidation" section of the Notes to the Financial Statements.

With reference to the business sectors in which the CVA Group operates, it is active in the production of energy from hydroelectric sources with plants owned by the Parent Company and Valdigne Energie S.r.l., through the sub-holding CVA EOS and its subsidiaries, conducting origination, engineering, procurement, and construction of plants for the production of electricity from renewable sources, as well as managing these for the production of electricity from wind and photovoltaic sources. It carries out electricity distribution activities in the Autonomous Region of Valle d'Aosta through the plants owned by the company DEVAL S.p.A., operates in the energy efficiency sector through the sub-holding CVA Smart Energy and its subsidiaries, and finally, with the company CVA Energie, it manages the energy flows produced by the companies of the CVA Group and supplies electricity to end customers.

CVA also holds the following additional shareholdings:

- **Téléchauffage Aoste S.r.l.** (hereinafter also "TELCHA"), with a shareholding of 10.98% (valued using the equity method). The company, which carries out its activity in the sector of construction and management of district heating plants, provides district heating to the city of Aosta with a project that is among the most advanced and innovative, adhering to both the regional policies and the new National Energy Strategy as it is in line with the future objectives of reducing emissions and related energy costs.
- **Le Brasier S.r.l.** (hereinafter "LE BRASIER"), with a shareholding of 13.7% (valued using the cost method). The company provides district heating to the municipality of Morgex with a plant powered by biomass.
- **Bonifiche Ferraresi S.p.A.**, with a 3% shareholding acquired in line with the Group's diversification process in order to create an exclusive strategic partnership aimed at developing an agri-voltaic pipeline in the BF Group's areas.

Business Model

The Group is structured according to a model whereby the parent company carries out the hydroelectric power generation activity in addition to the centralised coordination and management of corporate functions (strategic and organisational planning, financial planning, administrative and budget management, marketing objectives and policies, human resources planning and management, business management planning and control, IT management and telecommunications management).

Two sub-holdings are called upon to respectively coordinate two sub-groups with special-purpose companies operating in the following sectors:

- o origination, development, engineering, procurement, construction and industrial management of wind and photovoltaic power plants, and
- o requalification and energy efficiency, technical-operational management of heating/district heating plants and heat management activities.

The Group is also structured with further special purpose companies operating in the following segments:

- electricity production from renewable sources (hydroelectric, photovoltaic and wind power);
- scheduling of electricity production, energy management and sales at national level;
- distribution of electricity exclusively in the territory of the Valle d'Aosta region.

The business model on the basis of which the activities of the CVA Group are organised can be summarised as follows:

Energy production from hydroelectric source (Hydro BU)

The CVA Group owns and directly manages one of the most important Italian hydroelectric portfolios, consisting of 6 large dams, 61 intakes, more than 210 km of channels, about 50 km of penstocks and 32 power plants (18 run-of-river type, 9 basin type, 5 reservoir type) with 74 hydroelectric groups. The plant park has a total capacity of 935 MW for an average production of more than 3,000,000 MWh of clean energy (10-year historical average). The activity is carried out through the plants owned by the parent company and the company **Valdigne Energie**.

Energy production from Other Sources (Other RES BU)

It is an integrated business model that, within the perimeter of the same corporate group, brings together the competencies of origination, development, engineering, procurement, construction and industrial management of wind and photovoltaic power plants. As of 31 December 2024, the BU consisted of an overall platform of approximately 5 GW, of which 307.9 MW related to operational plants (comprising 9 wind power plants with 197.1 MW of installed capacity and 60 photovoltaic plants with 110.7 MW of installed capacity) and 22.5 MW of photovoltaic plants already constructed but lacking only the connection to the grid. At the end of the year, plants with access to incentives to support the production of energy from renewable sources add up to an installed capacity of 197.1 MW in wind power plants and 78.0 MW in photovoltaic plants, respectively. The production activity is carried out through the plants owned by **CVA EOS** and dedicated companies ("SPVs"). The subsidiaries Renergetica and SR Investimenti are responsible for the origination and development activities, whereas the engineering, procurement, and construction tasks for CVA EOS pipeline projects, as well as those for third-party clients, are mainly assigned to the company Sunnerg Group.

Distribution (Distribution BU)

The CVA Group, through its subsidiary **DEVAL**, distributes to users located in almost all the municipalities of Valle d'Aosta the electricity they need thanks to a capillary distribution network covering 69 municipalities in the region and comprising approximately 57 km of high-voltage lines, 1,552 km of medium-voltage lines and 2,729 km of low-voltage lines with almost 130,000 meters managed.

Energy Administration and Energy Management (Sales BU)

Activities carried out by the company **CVA ENERGIE**, which operates in the sector of the supply of electricity to end customers on the deregulated market (retail e-business) and vulnerable domestic customers, who, as of 1 July 2024, will continue to be provisionally served by the operator of greater protection, without prejudice to the possibility envisaged for them to request access to the Gradual Protection Service.

As at 31 December 2024, the Company has a portfolio of 1,716 business customers and 56,763 retail customers on the deregulated market, and 10,028 vulnerable domestic customers, to whom a total of 3,455 GWh of energy has been supplied. CVA Energie, in addition to the supply activity, also deals with the **Energy Management** of the energy produced by the Group operating in the energy markets mainly for reasons of balancing the energy produced and the energy provided and for purposes of hedging against the risks related to the fluctuation of energy prices, also carrying out trading activities. Operations are conducted by purchasing the commodity energy through bilateral contracts or by trading on spot and/or futures market platforms.

Energy Efficiency (Energy Efficiency BU)

This is a "platform" business model that, within the perimeter of a corporate sub-group headed by the sub-holding **CVA Smart Energy**, sees activities managed by specific corporate vehicles characterised by different technical skills and markets covered, maximising synergies both between these vehicles and towards the other companies of the CVA Group. In addition to CVA Smart Energy, this activity is also carried out by three subsidiaries: Renewable Technical Solutions S.r.l., Nuova Energia S.r.l., and RS Service S.r.l. Companies that enable an integrated offer to be proposed to the market through a flexible platform of services distributed as follows:

- **Renewable Technical Solutions S.r.l.** carries out activities in the area of operation and maintenance of co-generation/trigeneration plants, design and installation of trigeneration plants, energy and energy efficiency consulting, and provision of services aimed at achieving savings.
- **Nuova Energia S.r.l.** is active in the construction, installation, operation and maintenance of plumbing, heating and electrical systems, as well as in the energy upgrading of buildings.
- **Rs Service S.r.l.** is active in the design, construction and maintenance of electrical and mechanical systems.

Reference scenarios

Macroeconomic scenario

In 2024, amidst a persistently uncertain international scenario, energy commodity prices remained very high, although the downward trend that began in 2023 was reaffirmed. The infra-annual dynamics show generally higher prices in the first half of the year, then a decline to the annual lows in September, and finally a modest variability. In detail, Brent crude oil fell to \$81.96/bbl (-2% for 2023), fuel oil to \$537.67/MT (-1%), while diesel fell more sharply to \$732.05/MT (-10%).

Annual*					
FUEL	UdM	Anno	Var Y-1 (%)	Ultima Quot Future Y-1	Calendar Y+1
Brent	USD/BBL	81,96	-2%		
Olio Combustibile	USD/MT	537,67	-1%	453,90	437,60
Gasolio	USD/MT	732,05	-10%		
Carbone	USD/MT	112,90	-9%	99,50	111,35

FUEL	UdM	Anno	Var Y-1 (%)	Ultima Quot Future M-1	Calendar Y+1
Brent	EUR/BBL	75,76	-2%		
Olio Combustibile	EUR/MT	496,94	-1%		414,39
Gasolio	EUR/MT	676,75	-10%		
Carbone	EUR/MT	104,33	-10%		105,45
Tasso Cambio	EUR/USD	1,08	0%	1,12	1,06

Figure 1 Crude oil and fuels, spot and forward annual prices. Arithmetic mean - Source GME "GME Newsletter Issue 188 January 2025"

Gas prices at Europe's main hubs also declined. In 2024, after reaching a yearly low in February (26/28 € per megawatt-hour), gas prices steadily increased, peaking in December at 45/48 € per megawatt-hour. This rise coincided with the seasonal uptick in demand and the resurgence of Middle Eastern tensions.

The reduction in fuel costs contributes to the decline in European electricity prices, which are also still higher than those observed until 2020. The Italian Pun, still highly dependent on gas-fired generation, remains above 100 €/MWh (109 €/MWh, -15%), while prices on the rest of the continental European exchanges drop to 58/82 €/MWh (-18% to -40%)¹. Futures markets estimate a new sharp rise in electricity prices in 2025, with expected Italy-France-Germany spreads similar to those observed on spot prices in 2024.



Figure 2 European stock exchanges, annual quotations 2024. Arithmetic mean - Source GME "GME Newsletter Issue 188 January 2025"

Regarding electricity in Italy in more detail, and in analogy with what has been observed on the other major European electricity exchanges, the PUN in 2024 drops to 108.52 €/MWh (-18.71 €/MWh). It is important to note, however, that although the price showed an overall decline during the year 2024, it exhibited a progressively upward trend throughout the months, in line with the evolution of gas prices. The lowest price was recorded at 86.80 €/MWh in April, reaching a peak of 135.06 €/MWh in December. The drop in the PUN can be observed in all hour groups, with the peak price falling to 116.43 €/MWh, and the peak/baseload ratio at a historic low of 1.07. Finally, an hourly minimum of 0.10 €/MWh was recorded on Sunday, 7 April, and a maximum of 275.12 €/MWh on Wednesday, 11 December.

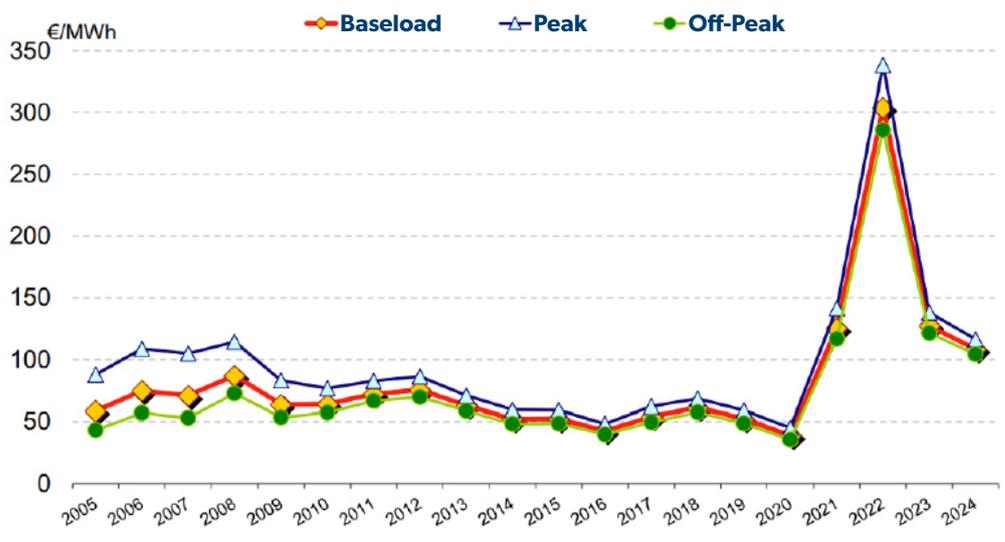


Figure 3: MGP Single National Price - Source GME "GME Newsletter Issue 188 January 2025"

¹ Source GME "GME Newsletter issue 188 January 2025"

At the zonal level, also favoured by high water volumes, the price in the North is again lower than in the other zones (between -5/-2 €/MWh), with the only exception being Sardinia (+1 €/MWh). Sales prices, also due to restrictions on CALA-SICI transit, are all falling, standing at 106/110 €/MWh (-20/-16 €/MWh) on the mainland and in Sardinia, and peaking in Sicily at 112/Mwh € (-14 €/MWh). With reference to the minimum hourly prices observed on the market, prices of 0 €/MWh or close to it are recorded in all areas on different days of the year².

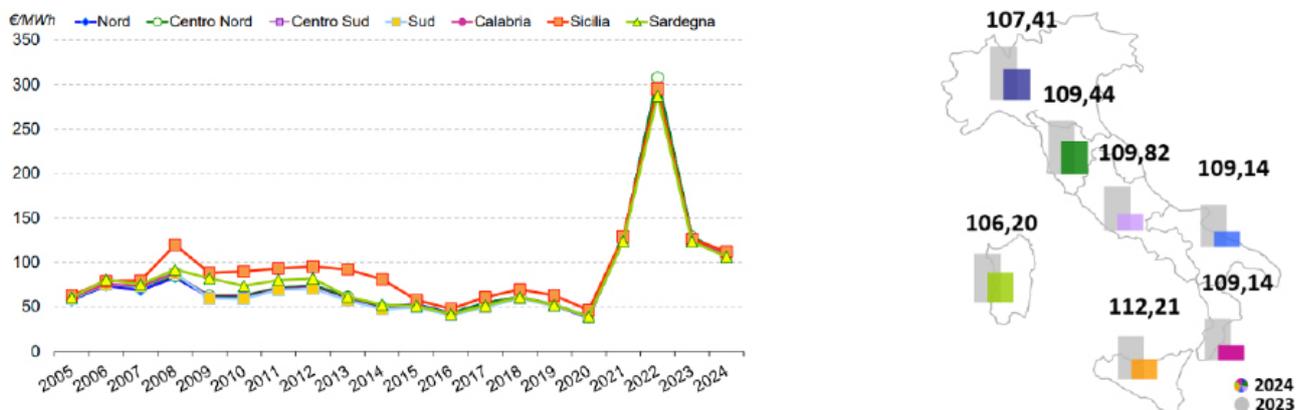


Figure 4 MGP, historical trend of zonal selling prices and comparison between zonal prices 2024 and 2023 - Source GME, "GME Newsletter Number 188 January 2025"

On the demand side in 2024, the demand for electricity (312,285 GWh) is higher than in the same period in 2023 (+2.2%) and slightly lower than the cumulative in 2022 (-0.9%). The value of the electricity demand was obtained with two additional working days (20 vs. 18) and an average temperature 1.6°C lower than in December last year. The seasonally, calendar, and temperature adjusted figure brings the change to +1.3%³.

[GWh]	December-24	December-23	% 24/23	Jan-Dec 24	Jan-Dec 23	% 24/23
Renewable Water	2,186	3,381	-35.4%	52,076	39,949	30.4%
Pumping in production ⁽²⁾	112	99	13.5%	1,451	1,530	-5.2%
Thermal	14,441	12,990	11.2%	146,452	156,156	-6.2%
of which Biomass	1,225	1,058	15.8%	13,184	14,571	-9.5%
of which Coal	334	419	-20.3%	3,507	12,108	-71.0%
Geothermal	448	455	-1.5%	5,269	5,310	-0.8%
Wind	2,632	2,433	8.2%	22,068	23,373	-5.6%
Photovoltaic	1,659	1,226	35.3%	36,064	30,236	19.3%
Standalone accumulations	38	1	4650.0%	120	8	1361.0%
Total net production	21,516	20,585	4.5%	263,500	256,562	2.7%
Absorption of standalone accumulations	44	1	3900.0%	141	12	1111.2%
Energy for pumping	160	141	13.5%	2,073	2,186	-5.2%
Total net consumer production	21,312	20,443	4.3%	261,286	254,365	2.7%
of which RES ⁽³⁾	8,150	8,554	-4.7%	128,661	113,439	13.4%
of which not RES	13,162	11,889	10.7%	132,625	140,926	-5.9%
Import	4,814	4,924	-2.2%	55,904	54,568	2.4%

2 Source GME "GME Newsletter issue 188 January 2025"

3 Terna's monthly report as of 31/12/2024

[GWh]	December-24	December-23	% 24/23	Jan-Dec 24	Jan-Dec 23	% 24/23
Export	454	402	12.9%	4,905	3,317	47.9%
Foreign balance	4,360	4,552	-3.6%	50,999	51,251	-0.5%
Demand for Electricity ⁽¹⁾	25,672	24,965	2.8%	312,185	305,616	2.2%

(1) Demand for Electricity = Total Net Production for Consumption + External Balance, where Total Net Production for Consumption = Total Net Production - Total net production - energy for pumping

(2) Share of production by pumping, calculated with the theoretical average yield from pumping in absorption

(3) Production from RES = Renewable Water + Biomass + Geothermal + Wind + Photovoltaic

Figure 5 Energy Balance - Source: "Terna Monthly Report on the Electricity System - Issue December 2024"

The aforementioned demand for electricity was met 42.5% by production from Renewable Energy Sources, 41.2% from Renewable Energy Sources and the remainder from the foreign balance.

In 2024, production from RES contributed 48.8% to the total net output, up from the figure for 2023 (44.2%). In detail, the weight of renewable hydroelectric and solar photovoltaic generation is increasing, while the contribution of the remaining sources is generally decreasing compared to 2023⁴.

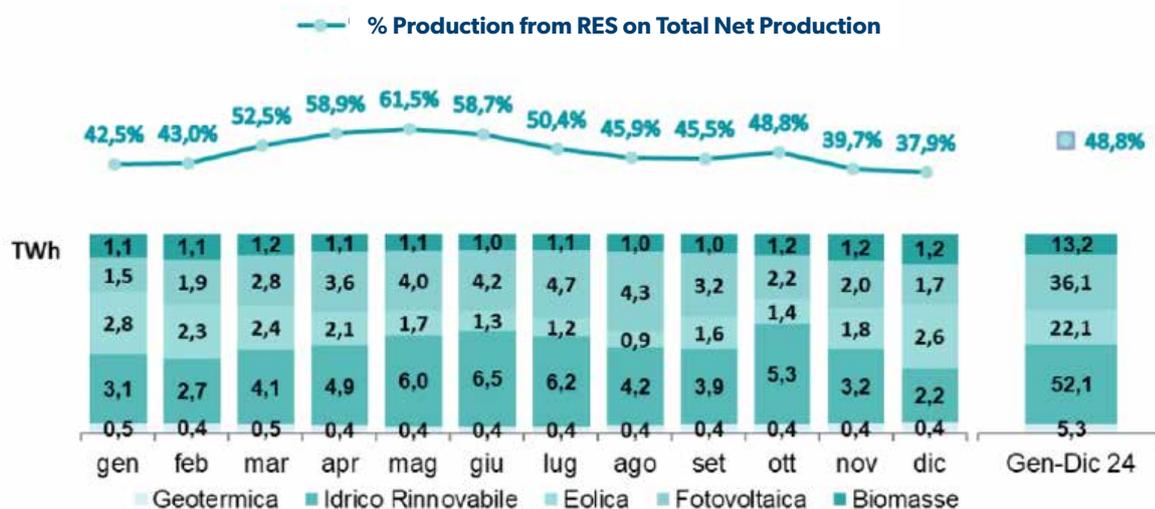


Figure 6 Trend in net production from RES in 2024 and change compared to 2023 - Terna "Monthly Report on the Electricity System - December 2024 Issue"

Markets operated by the GME

Total volumes traded on the MI reached an all-time high of 35.4 TWh (+6.3 TWh over 2023). This growth seems to be concentrated in the latter half of the year, with a +5% increase in auction markets. It also marked the introduction of Intraday Auctions (IDAs), aimed at enhancing the integration of European electricity markets during the intraday period. As in 2023, driving the growth in volumes is the XBID, which is at its highest level ever (11.5 TWh, +4.7 TWh)⁵.

With reference to the prices recorded in the intraday markets, there is a strong decrease compared to 2023: they are at 108/113 €/MWh (-19/-15 €/MWh), with higher average prices in all markets in the second half of the year. The prices are slightly higher than the corresponding PUN values on MI-A2 and XBID (+1/+2 €/MWh) and are substantially aligned on the other markets. Finally, numerous negative price matches were reported in continuous trading sessions, with prices as low as -96 €/MWh recorded in February in the South and Calabria.

⁴ Terna's monthly report as of 31/12/2024

⁵ Source GME "GME Newsletter issue 188 January 2025"

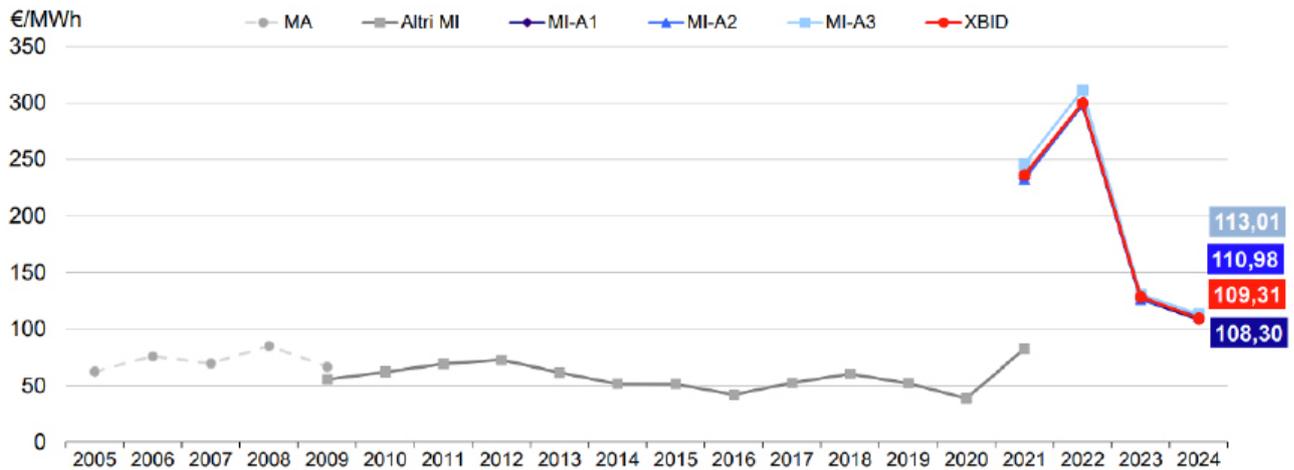


Figure 7 MI average prices per market session - Source GME "GME Newsletter Issue 188 January 2025"

With reference to the Dispatching Services Market (MSD), volumes are still decreasing and at historical lows, with purchases by the electricity network manager in the market rising to 1.0 TWh (-29.3% on 2023 on an hourly average) and its sales on the market falling to 1.4 TWh (-36.4%)⁶.

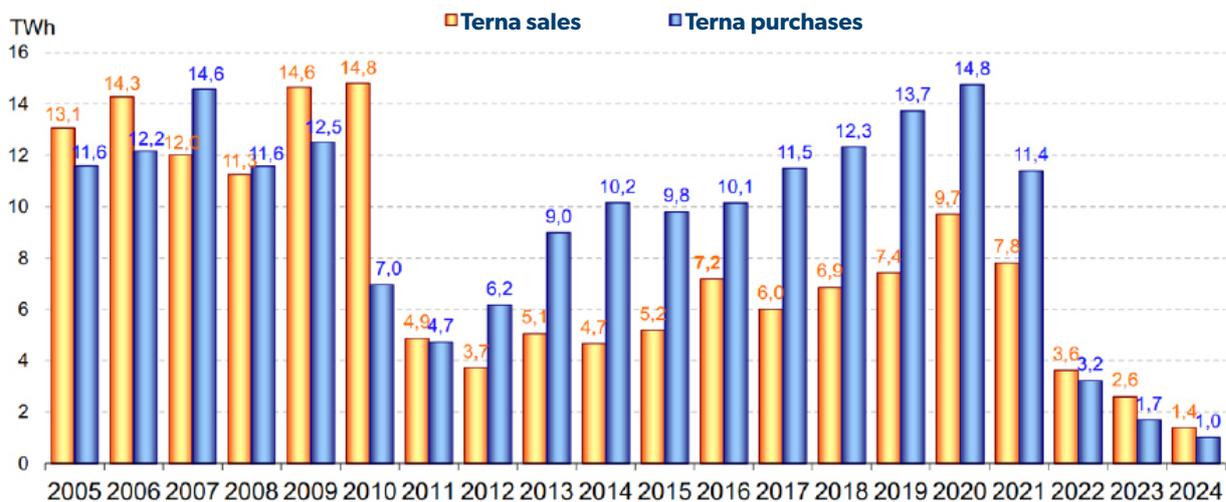


Figure 8 MSD volumes traded up and down - Source GME "GME Newsletter Issue 188 January 2025"

Transactions recorded on the Forward Energy Accounts Platform (PCE) with energy delivery/collection in 2024 still show a decline, standing at 194.6 TWh (-15.3% on 2023 on an hourly average) and confirming at the lowest level since 2010⁷.

On environmental markets, in 2024 the average price of energy efficiency bonds on the organised market (MTEE) shows a slight decrease to 248.51 €/toe (-1.3%), while on the bilateral platform it rises to 228.80 €/toe (+2.0%). The total traded securities are instead growing both on the MTEE, where they amount to 1.83 million toe (+4.2%), and on the bilateral platform, where they amount to 1.18 million toe (+11.7%), with market liquidity at 61%⁸.

6 Source GME "GME Newsletter issue 188 January 2025"

7 Source GME "GME Newsletter issue 188 January 2025"

8 Source GME "GME Newsletter issue 188 January 2025"

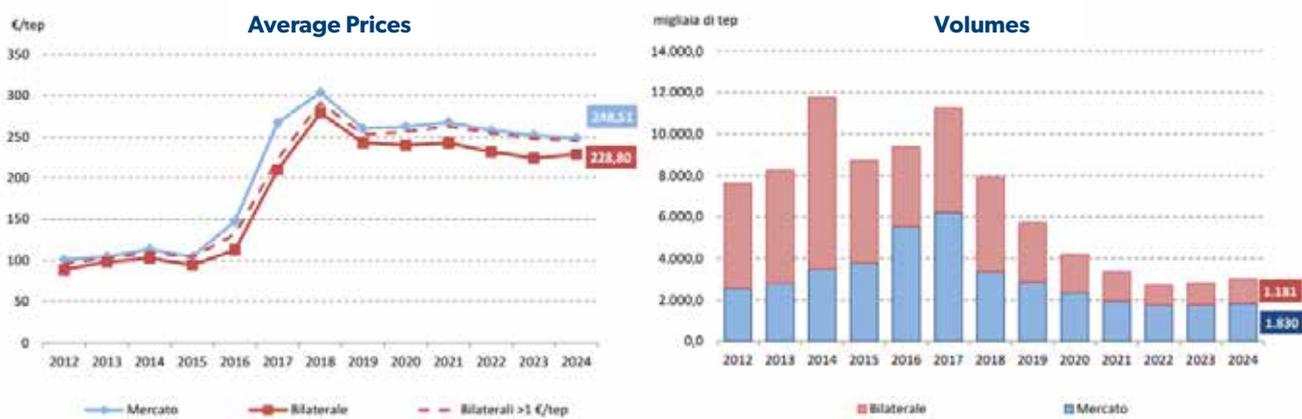


Figure 9 TEE, annual prices and volumes - Source GME "GME Newsletter Issue 188 January 2025"

For the obligation year 2024, the breakdown of the national obligation to increase energy efficiency pursuant to the Interministerial Decree of 11 January 2017, as amended by Ministerial Decree 21 May 2021, with which each electricity and natural gas distributor must comply for its share, was defined by ARERA with Determination DSME/6/2024.

	Quantitative obligation (number of white certificates)
AcegasApsAmga S.p.A.	3,299
Areti S.p.A.	38,692
Asm Teni S.p.A.	1,360
Deval S.p.A.	2,376
e-distribuzione S.p.A.	949,550
Edyna S.r.l.	8,568
Inrete Distribuzione Energia S.p.A.	9,326
Ireti S.p.A.	13,903
SetDistribuzione S.p.A.	9,032
Unareti S.p.A.	36,877
V-Reti S.p.A.	7,016

Figure 11 Quantitative obligation for electricity distributors subject to the national obligation to increase energy efficiency for the year 2024 - Source ARERA Determination 7 November 2024 DSME 6/2024

In the Guarantees of Origin sector, in 2024, the overall average price shows a marked decrease to 0.77 €/MWh on the market (-5.33 €/MWh), resulting in being approximately 2 €/MWh lower than the level recorded in bilateral negotiations (2.82 €/MWh, + 0.70 €/MWh). The average prices in GSE auctions drop to 0.42 €/MWh (-5.24 €/MWh). In the organised market for Guarantees of Origin (MGOs), the monthly price analysis reveals a downward trend, with higher prices in the first quarter and lower prices in the final months of the year, reaching historic lows for securities from the 2023 production year. In terms of volumes, on the other hand, there is a general increase across all trading modes. In detail, trades on the MGO increase to 2.0 TWh (+191%), while allocations by auction rise to 21.4 TWh (+185%).⁹

9 Source GME "GME Newsletter issue 188 January 2025"



Figure 12 GO, annual prices and volumes - Source GME "GME Newsletter Issue 188 January 2025"

National regulatory scenario

The regulatory and legislative context of the electricity sector was characterised, during 2024, by various interventions by the Regulatory Authority for Energy, Networks and the Environment (hereinafter "ARERA" or "Authority"), as well as by national legislators and other entities that regulate the electricity system and the market.

The regulatory acts of greatest interest to the CVA Group in 2024 prior, but with a start date in that period, are described in more detail below

Hydroelectric concessions

Although the regulations on hydroelectric derivation concessions contained in Article 12 of Legislative Decree 79/99 (so-called "Bersani Decree") remain unchanged to date, the issue of hydroelectric concessions - both large and small - and in particular the issue of their renewal is at the centre of the political and regulatory debate.

Concessions for large derivations

Hydropower generation represents one of the most important renewable and controllable energy sources, playing a strategic role in guaranteeing national energy independence and security. Therefore, it is crucial to ensure a swift recommencement of investments in the sector for the maintenance and modernisation of existing hydropower plants; investments that are currently limited to conservation work due to the impending expiry of current concessions.

This is the focus of the proposals to amend the regulations in Article 12 of the Bersani Decree. In fact, it is requested to assess the possibility - following appropriate discussions with the European Commission to avoid adopting provisions in conflict with European regulations - of reallocating existing concessions to the outgoing concessionaire against investment plans shared with the concerned regions. This proposal would guarantee significant positive impacts both in terms of energy and environment for the territories involved and in general for the hydropower production sector.

These proposals are now being examined by the Italian Parliament.

Legislative work on hydroelectric concessions continues at the regional level as well. Indeed, on 30 October 2024, the Joint Commission of the Valle d'Aosta Region submitted to the Regional Council the draft legislative decree regarding the implementation rules of the special statute for the Valle d'Aosta/Vallée d'Aoste Autonomous Region concerning water derivation concessions.

The outline of the aforementioned decree provides that the region shall regulate by regional law – to be adopted within 12 months from the date of entry into force of the legislative decree under review – the methods and procedures for the assignment of water derivation concessions and sub-concessions and, in particular, the modalities of assignment and their duration, the criteria for determining the fees for the use and valorisation of the assets of the water domain, as well as the procedures for evaluating the landscape and environmental impact aspects, determining the environmental and territorial compensations, also of a financial nature. Within the allocation procedures, the scheme provides for the possibility of awarding concessions not only to economic operators identified through public tenders (with a public notice procedure) but also to companies with a mixed public-private capital or through forms of public-private partnership, and to companies under full public control, established to meet significant general interests linked to energy production in the regional territory, in compliance with the principles of in-house awarding.

On 28 January 2025, the Council of the Valle d'Aosta region unanimously endorsed the aforementioned legislative decree scheme, which is currently under review by the Council of Ministers.

Concessions for small derivations

In Order No. 161, issued on 7 October 2024, the Constitutional Court submitted three questions to the Court of Justice of the European Union regarding the applicability of Directive 2006/123/EC (known as the Services Directive or Bolkestein) to concessions for small hydroelectric derivations.

As is well known, Article 12, paragraph 1, of the Services Directive specifies that when the availability of authorisations is limited due to the scarcity of natural resources – for instance, water resources – selection procedures must present guarantees of impartiality and transparency. They must foresee, in particular, adequate publicity regarding the initiation, conduct, and completion of the procedures. There can be no automatic renewal procedures, nor may any other advantages be granted to the concessionaire whose authorisation has expired.

Consequently, the Constitutional Court prioritised resolving the interpretative issue concerning the applicability of the above-mentioned provision to the specific sector of small hydroelectric derivations and, to that end, posed the following questions to the Court of Justice:

- a. whether the Services Directive should also be considered applicable to installations carrying out mere electricity production activities;
- b. should the applicability be recognised, does the Services Directive hinder a Member State from using the difference between large and small installations as a criterion to assess whether abstraction installations render the hydroelectric resource scarce;
- c. lastly, if the responses to the first and second questions are affirmative, does the Services Directive prevent a Member State from implementing rules that extend a concession, justified by the need to fully utilise incentives obtained for producing energy from renewable sources, without affecting the 30-year limit that may initially be imposed on a concession for small hydroelectric derivation.

The decision by the European Union Court of Justice is now awaited.

Electricity distribution concessions

Law No. 207, dated 30 December 2024, regarding the State Budget for the 2025 financial year and the multi-year budget for the three-year span 2025-2027 (known as Budget Law 2025), was published in the Official Journal No. 305 on 31 December 2024.

In particular, paragraphs 50 to 53 provide that, within 180 days from the entry into force of Budget Law 2025 (i.e., by 30 June 2025), by decree of the Minister of the Environment and Energy Security (MASE), in agreement with the Minister of Economy and Finance (MEF), upon proposal of the Authority, subject to the agreement of the Unified Conference and the opinion of the competent parliamentary commissions, the terms and conditions for the presentation, by the concessionaires of the electricity distribution activity, of special extraordinary multi-year investment plans concerning at least:

- the improvement of the resilience of the network for adaptation to climate events;
- the increase in the capacity to integrate distributed generation;
- a reinforcement of the network infrastructure to handle the increase in demand;
- the increase in the flexibility of the distribution system;
- the adoption of systems, including monitoring systems for the defence of infrastructure.

The approval of the aforementioned plan by the MASE determines the reshaping of current concessions in accordance with the investment timelines, but not exceeding a period of 20 years.

TUSP

In the Official Journal No. 186 of 9 August 2024, Decree-Law No. 113 on urgent measures of a fiscal nature, extensions of regulatory deadlines, and interventions of an economic nature was published (so-called D.L. Omnibus), which lays down provisions on publicly owned companies.

In detail, Article 10 of the Omnibus Decree Law introduces paragraph 5-bis to Article 26 of Legislative Decree No. 175 of 19 August 2016 (c.d. D.L. Omnibus), which lays down provisions on publicly owned companies (so-called TUSP) by providing that "to companies issuing financial instruments, other than shares, listed on regulated markets, which are subject to the rules set forth in Article 1, paragraph 5, and in paragraph 5 of this Article, the provisions contained in the same paragraphs shall continue to apply by virtue of the extension of the financial instrument or of subsequent issues made in substantial continuity". Therefore, owing to the issuance of a bond loan that maintains a significant continuity with the one issued on 22 November 2021 and set to mature on 22 November 2028, only the rules under TUSP that directly pertain to listed companies will continue to apply to CVA and its subsidiaries

Interventions on producer remuneration

Extraordinary contribution pursuant to Art. 37 of D.L. 21/2022

With regard to the extraordinary contribution referred to in Article 37 of D.L. 21/2022 (so-called DL Aiuti), it is noteworthy that on 27 June 2024, judgement No. 111/2024 was issued, in which the Constitutional Court examined the constitutional legitimacy of the said contribution, deeming it partially unlawful solely in the aspect that includes excise duties paid to the State and listed in the invoices receivable as part of the taxable base. In this sense, including excise duties in the taxable base of the extraordinary contribution, according to the Constitutional Court, conflicts with the principle of reasonableness of the taxation requirement, whereby the regulatory provisions in legal acts must be adequately aligned with the purposes pursued by the legislature.

Conversely, the Constitutional Court decided not to accept the other numerous challenges (Articles 3, 23, 42, 53, and 117 of the Constitution) put forward by the referring orders, thereby confirming the legitimacy of the levy. Specifically, the Court determined that the reason for the regulatory intervention was to target, through an extraordinary levy, the trade in energy products among those economic operators who, compared to the majority of other businesses in the market, were – according to the *id quod plerumque accidit* principle – benefiting from a "counter-cyclical" trend.

Solidarity contribution under Art. 1, paragraphs 115-119, 2023 Budget Law

In a similar manner, by an order dated 09 October 2024, the Court of First Instance of Messina referred the issue of the legitimacy of the solidarity contribution, as introduced by Article 1, paragraphs 115 and subsequent of Law 197/2022 (the 2023 Budget Law), to the Constitutional Court. The Tax Justice Court has, in fact, identified conflicts with several constitutional principles such as equality, proportionality, reasonableness, and the ability to contribute. The Court also notes that the contribution in question affects a demonstration of ability to contribute that is partly already subjected to the extraordinary contribution under Article 37 of Decree-Law No. 21/2022, without any prescribed corrective mechanisms to deduct the previous contribution from the new one, thus resulting in a duplication of tax. By Order No. 21 dated 20 February 2025, the Constitutional Court has referred the question of the compatibility of the solidarity contribution with European law to the Court of Justice of the European Union for a preliminary ruling. In particular, the Court of Justice of the European Union was asked to assess the legitimacy of the extension of the contribution, even with respect to those not explicitly mentioned as beneficiaries in Council Regulation (EU) 2022/1854, such as electricity producers and suppliers. Pending the resolution of the aforementioned preliminary question, the Constitutional Court has therefore suspended the pending judgment.

Two-way compensation mechanism under Article 15 bis

Regarding the two-way compensation mechanism introduced by Article 15 bis of Decree-Law 4/2022, the Lombardy Regional Administrative Court - with an order dated 7 July 2023 - decided to refer the matter to the Court of Justice of the European Union for an assessment of its compatibility with EU law. The Regional Administrative Court has, in fact, posed three questions to the Court of Justice regarding the compatibility of national regulations with EU law, which set a limit on the market revenues generated from electricity sales:

- that does not guarantee producers can maintain 10% of their revenues above the limit;
- that does not preserve and incentivise investments in the renewable energy sector;
- which does not provide for any specific limit on revenues from the sale of energy produced from fossil carbon, nor a differentiated regulation in relation to the different sources of production.

On 6 February 2025, the Advocate General of the Court of Justice of the European Union presented their conclusions; the decision of the Court of Justice of the European Union is now awaited, with the timing of its release still unknown. In the meantime, pending judgments before national courts are suspended.

Interventions on ARERA remuneration

With Resolution 382/2024/A, the Authority set the rate of the ARERA operating contribution for the year 2024 at 0.19 per thousand of the revenues resulting from the approved financial statements for the year 2023 and confirms also for 2024 the additional contribution of 0.02 per thousand due by companies that carry out one or more infrastructure activities subject to tariffs (transmission, dispatching, distribution, metering).

Measures against high energy prices

Social bonus

With Resolution 622/2023/R/com, the Authority has modified the methods for updating and quantifying social bonuses and revised some operational procedures for recognising social bonuses to protect customers.

Specifically, to ensure more timely compensation payments, the Authority has established that sellers are required to transfer the tariff component to domestic customers who own the withdrawal points affected by the compensation in the first available invoice, without waiting for the actual transfer of compensation from the competent distributor.

With this resolution, the calculation of the social electricity bonus has been updated, establishing that the amount should be determined once a year by quantifying the value of the compensatory component for the entire calendar year. This quantification is carried out in advance, using the best available estimates of the average expenses expected to be incurred by domestic customers served by the protection service for vulnerability in the same year.

Regarding the social bonus for economic hardship, the Authority has also revised the categories of concessions provided by Article 4 of Annex A to Resolution 63/2021/R/com, which, starting from 1 January 2024, are divided into:

- a. DSUs with households having $ISEE \leq 9,530$;
- b. DSUs with households with $9,530 < ISEE \leq 20,000$ and with 4 (or more) children who must be dependent from 2024.

Social Bonus - Extraordinary Complementary Contribution

Article 1, paragraph 14, of Law No. 213 of 30 December 2023 (so-called Budget Law 2024) recognised an extraordinary contribution for the months of January, February and March 2024 to domestic customers holding the social electricity bonus in the same manner as in Article 3(1) of Decree Law No. 34 of 30 March 2023, converted, with amendments, by Law No. 56 of 26 May 2023. The Authority implemented this provision with Resolution 633/2023/R/com issued on 28 December 2023, which approved the compensation levels for end customers in a state of physical or economic hardship, effective from 1 January 2024.

Consequently, with reference only to end customers in the electricity sector experiencing economic hardship, an extraordinary complementary contribution (CCS) has been added to the ordinary bonus for the first quarter of 2024, expressed in Euro/quarter/POD. As in previous quarters, the CCS was applied using the pro-rata day logic.

Television subscription fee for private use

Article 1, paragraph 19 of the Budget Law 2024 has redefined, for the year 2024, the television subscription fee for private use, as outlined in Article 1, paragraph 40 of Law No. 232 dated 11 December 2016, to Euro 70, down from the previous amount of Euro 90. For the sake of thoroughness, please note that beginning with the provisions of the 2016 Stability Law, the Rai fee must be charged to the electricity bill of the primary residence.

Development of renewable sources

Agriculture Law Decree

In the Official Journal No. 112 of 15 May 2024, Decree Law No. 63 of 15 May 2024 (so-called D.L. Agricoltura) containing urgent provisions for agricultural, fishing, and aquaculture enterprises, as well as for enterprises of national strategic interest, subsequently converted, with amendments, by Law No. 101 of 12 July 2024.

Among the provisions of interest, we mention Article 5, which, by amending Article 20 of Legislative Decree No. 199/2021 (Regulations for identifying surfaces and areas suitable for renewable energy plant installations), establishes significant limits on the installation of photovoltaic plants in areas classified as agricultural. In detail, the installation of photovoltaic systems with modules placed on the ground in areas classified as agricultural by the urban plans in force is permitted only:

1. on sites where plants of the same source are already installed, for modifications, renovations, upgrades, or complete reconstructions of the already installed plants, provided that there is no increase in the occupied area;
2. in quarries and mines that have been closed down, not recovered or abandoned, or in an environmentally degraded condition, or in those portions of quarries and mines that are not susceptible to further exploitation;
3. on sites and facilities at the disposal of the companies of the Italian State Railways group and the railway infrastructure managers as well as the motorway concessionaire companies;
4. on sites and facilities at the disposal of the airport management companies within the airport grounds, including those within the perimeter of the airports of the minor islands;
5. in areas inside industrial plants and establishments, as well as in classified agricultural areas enclosed within a perimeter whose points are no more than 500 metres from the same plant or establishment;
6. in areas adjacent to the motorway network within a distance of no more than 300 metres.

The restriction on installing ground-mounted photovoltaic modules does not apply to projects aimed at creating a Renewable Energy Community, nor to projects implementing other investment measures of the National Recovery and Resilience Plan (NRRP).

This provision preserves the enabling, authorising, or environmental assessment procedures that have already started as of the date this decree takes effect (16 May 2024), which will be concluded according to the previous legislation.

Lastly, a set of regulations regarding contracts, including preliminary agreements, for establishing surface rights on lands classified as agricultural by existing urban plans, was introduced during the conversion of the decree-law under consideration. The duration of such contracts cannot be less than 6 years, after which the contracts are renewed for a further 6 years. Upon reaching the second expiry date, each party has the right to initiate the process for renewal under new conditions or to waive the renewal of the contract, by communicating their intention via registered letter to the other party at least six months before the expiry date. In the absence of such communication, the contract shall be deemed tacitly renewed under the same conditions.

These provisions also apply to contracts that are still active, provided that the termination right is exercised within 60 days from the date the law converting the D.L. Agriculture comes into effect, specifically by 12 September 2024.

Eligible Areas Decree

In the Official Journal of 2 July 2024, n. 153, the expected decree of the Ministry of Environment and Energy Security (so-called MASE) was published, laying down regulations for the identification of surfaces and areas suitable for the installation of renewable energy plants (so-called Eligible Areas Ministerial Decree).

This decree aims to determine the allocation among regions and autonomous provinces of the 2030 national target of an additional 80 GW of power from renewable sources, compared to the level on 31 December 2020. It also seeks to establish uniform principles and criteria for regions to identify areas suitable or unsuitable for the installation of renewable energy facilities. The regions must, in fact, identify these areas through their own laws within 180 days of the entry into force of this decree, i.e. by 31 December 2024. Should the time frame for the adoption of regional laws lapse without result, the MASE proposes drafts of substitute normative acts to the President of the Council of Ministers for the Council of Ministers to adopt.

As of 31 December 2024, however, few Italian regions have adopted the implementing law of the Eligible Areas Ministerial Decree. Therefore, it seems the government has accepted the request to extend this deadline: Minister Pichetto Fratin, through a note to Minister Calderoli, appears to have decided to allow an additional three months, pending the resolution of the administrative dispute set for next 5 February.

Regarding this matter, Sardinia's regulatory stance is particularly significant. With the enactment of Regional Law No. 5 on 3 July 2024, the region implemented a temporary ban on the construction of new renewable energy plants within its borders. This measure, despite having a maximum duration of 18 months from the law's effective date, clashed with national legislation, which, pending the regions' identification of suitable areas, prohibits moratoria and the suspension of ongoing authorisation processes. The Government has in fact challenged this measure before the Constitutional Court.

Subsequently, this provision was repealed by Regional Law no. 20, passed on 5 December 2024, titled "Urgent measures for identifying areas and surfaces suitable or unsuitable for the installation and promotion of renewable energy source (RES) plants and simplifying authorisation procedures", but its effects are essentially reproduced in Regional Law 20/2024. The latter has in fact rendered almost the entire Sardinian territory unsuitable, with a ban on installation. The regional legislation therefore continues to exhibit marked profiles of illegitimacy: on 28 January 2025, the Council of Ministers resolved to challenge Regional Law 20/2024 before the Constitutional Court.

Consolidated Renewables Law

On 30 December 2024, Legislative Decree No. 190 dated 25 November 2024, commonly referred to as the Consolidated Renewables Law, took effect. It aims to streamline and simplify the regulations concerning the construction and operation of renewable energy production plants whilst repealing numerous existing provisions on the same topic. In detail, this legislative decree stipulates:

- the reduction of the number of administrative regimes;
- a revision of the thresholds for environmental impact assessments, so as to make the streamlining inherent in the free activity and simplified authorisation procedure regimes effective, on the assumption that the latter cover projects whose implementation or operation does not entail significant environmental impacts;
- the adaptation of procedures in accordance with EU directives and legislative changes in recent years.

The regions and local authorities are obliged to comply with the decree within 180 days of its entry into force, i.e. by 28 June 2025. They are also allowed to adopt additional rules to further simplify the procedures.

FER 2 and FERX Decree

The legislative decree 199/21, in defining the tools, mechanisms, incentives, and the institutional, financial, and legal framework necessary to achieve the targets for increasing the share of energy from renewable sources by 2030, stipulates that the current incentive systems should be reorganised and strengthened.

To this end, the Ministry of the Environment and Energy Security (MASE) has therefore drafted the following ministerial decrees:

- the outline of the Ministerial Decree bearing the Support Mechanism for Renewable Energy Source facilities with generation costs approaching market competitiveness, as referred to in Articles 6 and 7 of Legislative Decree No. 199 dated 8 November 2021 (so-called FER X Decree). The FERX Decree aims to support the generation of electricity from plants powered by renewable sources with generation costs nearing market competitiveness (solar photovoltaic, wind, hydroelectric plants, and facilities processing residual gas from purification processes). This is achieved by establishing a support mechanism that enhances their effectiveness, efficiency, and sustainability to a degree that aligns with the decarbonisation goals for 2030, while ensuring the security and adequacy of the electricity system. The same will apply until 31 December 2028. To date, the FER X Decree is awaiting approval by the European Commission;
- the outline of the Ministerial Decree bearing the Support Mechanism for Renewable Energy Source facilities with generation costs approaching market competitiveness, as referred to in Articles 6 and 7 of Legislative Decree No. 199 dated 8 November 2021 (so-called FERX transitional). Specifically, this new ministerial decree scheme aims to introduce a transitional support framework for renewable sources, effective until 31 December 2025, ensuring continuity with the inter-ministerial decree of 4 July 2019, as the European Commission's full approval of the FERX Decree is awaited. The structure of this decree allows for its rapid submission to the European Commission for approval within the temporary crisis and transition framework for state aid measures, implemented to support the economy in response to Russia's aggression against Ukraine (TCTF). And this was the case as, in December 2024, the Commission gave the go-ahead and the decree was signed by the Minister of MASE in February 2025. It is therefore expected that the final text will be published on the MASE website for it to come into force;
- the MASE decree of 19 June 2024 regarding Incentives for plants using innovative renewable sources or with high generation costs that feature innovation characteristics and a reduced impact on the environment and the territory (so-called "DM FER2"). With the aim of contributing to the achievement of the 2030 decarbonisation objectives, this decree establishes the terms and conditions under which plants powered by biogas and biomass, solar thermodynamic, geothermal, offshore wind, floating photovoltaic both offshore and on inland waters, and plants powered by tidal energy, wave motion and other forms of marine energy, which have innovative characteristics and a reduced impact on the environment and territory, can access incentives. This decree will cease to apply on 31 December 2028.

CACER Decree

In line with the decarbonisation objectives set for 2030, the MASE has endorsed Decree No. 414. This decree governs, as per Article 8 of Legislative Decree No. 199 of 2021, the incentive strategies aimed at supporting electricity output from renewable energy systems configured for self-consumption and renewable energy sharing. It also establishes the guidelines and procedures for distributing subsidies as specified in Mission 2, Component 2, Investment 1.2 (Promotion of renewables for energy communities and self-consumption) of the NRRP.

This decree establishes two facilitation mechanisms, which can be combined:

- tariff incentive on the share of shared energy for renewable energy plants included in self-consumption configurations for the sharing of renewable energy; it applies until the 30th day after the date of reaching a quota of incentivised power equal to 5 GW, and in any case, no later than 31 December 2027;
- a capital grant of up to 40% of the investment cost (drawn from NRRP resources) for the development of energy communities and collective self-consumption configurations in municipalities with a population of fewer than 5,000 inhabitants. This contribution remains in effect until 30 June 2026, for the realisation of a cumulative capacity of at least 2 GW and an indicative production of at least 2,500 GWh per year.

MACSE

Article 18 of Legislative Decree 210/21 provides for the introduction into the architecture of the Italian electricity market of a new system of forward procurement of electricity storage capacity (so-called MACSE) to complement the energy, ancillary services, and capacity markets. In future scenarios, storage facilities will play a vital role in the operation of the electricity system. They will facilitate the full use of renewable energy and assist in providing the dispatching services required to maintain the security and adequacy of the Italian electricity system.

In detail, the MACSE outlined in the ARERA and Terna documents provides for the following:

- a. Terna secures electricity storage capacity through competitive bidding processes and enters into standard contracts with the awarded parties, considering the technical specifications of each technology. In light of the premium determined by the tender procedures, the contracted storage capacity is made available to market operators for use in the energy markets, and to Terna, for dispatching services in the market;
- b. for the purpose of use within energy markets, Terna issues time-shifting products, which are sold on a platform managed by GME via competitive auctions. After market operators utilise these time-shifting products, Terna distributes the schedules defined by the energy markets to each storage resource;
- c. the contracted storage capacity is made available on the MSD at regulated prices, and it is not permitted for the dispatching user associated with each contracted storage resource, who is responsible for the imbalances of the same resource, to retain the margins.

The aforementioned regulation was approved through Decree No. 346 on 10 October 2024 by the MASE, focusing solely on the forward procurement of new storage capacity related to lithium-ion batteries and other electrical storage technologies different from these and from hydroelectric pumping. The way in which hydroelectric storage facilities can participate in the MACSE is still under consultation.

Authorisation procedures

On 17 December, Law No. 191, dated 13 December 2024, was enacted, with amendments, converting Decree-Law No. 153 of 17 October 2024, providing urgent provisions for the nation's environmental protection, the rationalisation of environmental assessment and authorisation processes, the promotion of the circular economy, and the implementation of interventions concerning the remediation of contaminated sites and hydrogeological instability.

This law mandated that the EIA and SEA Commissions must prioritise, in order, projects linked to programmes designated as having paramount national strategic importance, large-scale foreign investments in Italy, or those with a direct investment in Italy valued at no less than Euro one billion. It also includes projects exceeding Euro 25 million in value for the national production system that significantly impact employment. With regard to the submission of VIA applications, the aforementioned Law stipulates that for energy production projects using photovoltaic, solar thermodynamic, biomass, or biogas sources, as well as the production of biomethane, the proponent must also attach to the VIA application a declaration certifying the legitimate availability, on any grounds, of the surface area and, if necessary, the resources required for the realisation of such projects.

Incentives

With Resolution 14/2024/R/efr, ARERA determined, for the purpose of quantifying the value of the incentives that replace green certificates for the year 2024, the average annual value recorded in the year 2023 of the sale price of electricity, equal to 125.96 €/MWh

Photovoltaic panels end-of-life

In order to optimise the management of waste produced by photovoltaic panels that benefit from the incentive mechanisms of Legislative Decree 387/2003, Law No. 11/2024 converting the so-called Energy Security Decree stipulated that the GSE was required to withhold from the aforementioned incentive mechanisms an amount equal to twice the amount determined based on the average costs of joining the consortia or the costs determined by the recognised WEEE collective management systems and the same amount for all the incentive mechanisms identified by the Energy Accounts. The aforementioned Law also stipulated that this sum would be returned to the holder if it was established that the obligations for the disposal of such waste had been fulfilled.

Alternatively, provisions were made for operators to communicate their adherence to a Collective System to the GSE by 31 December 2024, ensuring the management of waste from photovoltaic panels. However, the companies in the CVA Group did not adhere to any Collective System.

Electricity market

Exceeding PUN

With Resolution 304/2024, the Authority regulated the conditions and criteria for exceeding the Single National Price (so-called PUN) with effect from 1 January 2025. Decree-Law 181/2023 indeed instructed MASE and ARERA to define, through their own decrees, the terms and criteria for implementing zonal prices on the wholesale electricity market with effect from 1 January 2025, and to provide guidelines for creating a transitional equalisation mechanism aimed at compensating for any discrepancy between zonal prices and a reference price calculated by the GME, in continuity with the Single National Price.

Starting from the specified date, the GME has announced that it will continue to publish a reference price (the PUN Index GME), calculated in a manner entirely similar to today's PUN, as the average of zonal prices weighted by the quantities purchased in each market zone.

Simultaneously, with respect to the wholesale market, the Authority has stipulated the inclusion of a compensatory element for purchases on the MGP associated with zonal withdrawal portfolios. For simplicity, this component will be regulated in the same manner as the programme imbalance fee, meaning there will be a settlement between the market operator and the GME if the market operator's guarantees are sufficient; otherwise, settlement will occur between Terna and the relevant BRP.

Regarding the retail market, the Authority has stipulated the replacement of the PUN with the PUN Index GME, and it clarified that this does not constitute a unilateral variation as per the Code of Commercial Conduct. The Authority considers it appropriate, in any case, to give adequate notice to end customers and requires electricity suppliers to inform end customers about the new index in the first bill in which it is applied.

Capacity Market

With Resolution 199/2024, the Authority defined the economic parameters for the competitive bidding processes in the capacity market concerning the delivery years 2025, 2026, and 2027. In response to Terna's request, the Authority has also provided for the extension of these economic parameters to the delivery year 2028.

In particular, the Authority has established the maximum premium recognisable for new capacity, the premium associated with the central point of each area, the maximum premium recognisable for existing capacity, the minimum investment amount, and the strike price.

Terna subsequently announced the schedule for the capacity market auctions and specifically stated that for the delivery year 2025, these auctions were held in July 2024, and for the delivery year 2026, they took place in December 2024. For the delivery year 2027, the auctions will take place in February 2025. Finally, it is important to specify that there is an ongoing administrative case before the Regional Administrative Court concerning not only the outcomes of the main auction for the delivery year 2025 but also the regulation of the capacity market.

Energy release 2.0

Pursuant to Article 1, paragraph 2, of Decree-Law 181/2023, the MASE instituted a mechanism for the development of new electricity generation capacity from renewable sources by energy-intensive end customers (so-called Energy release 2.0).

Under this mechanism, until the new capacity becomes operational, the affected energy-intensive end consumers - either individually or collectively - can request the GSE to advance a portion of renewable electricity quantities and their corresponding guarantees of origin for a period of 36 months at a transfer price set by the GSE, to be repaid over 20 years following the plants' operational commencement. The advancement and repayment of electricity are handled via a two-way contract for difference, established between the GSE and the energy-intensive end consumers or associated third parties, according to the same transfer price which accounts for the average efficient cost of generating renewable energy from plants of an efficient scale utilizing competitive and mature technologies.

The new generation capacity can be achieved through:

- a. new photovoltaic, wind and hydroelectric plants with a minimum capacity of 200 kW each;
- b. upgrading or refurbishment of photovoltaic, wind and hydroelectric plants that allow an increase in power of at least 200 kW.

This new generation capacity, which may also be implemented by third parties, must collectively be at least double the amount needed for the repayment of the energy advanced by the GSE within thirty-six months. The commissioning of the plants must occur within forty months from the date of signing the energy advance contract between the energy-end customer and the GSE.

Retail sales

The sixth regulatory period (6PRT) commenced on 1 January 2024 and is set to conclude on 31 December 2027. The Authority then approved the new integrated reference texts for the electricity sector, such as TIT, TIME, RTTE, TIPPI, as well as TIQC and TIQD.

Facilities following seismic events

With Resolution 11/2024/R/com, ARERA extended the tariff concessions supporting the populations affected by the seismic events that occurred in Central Italy and in the municipalities of Casamicciola Terme, Lacco Ameno and Florio, in 2016 and 2017. In particular, in implementation of the provisions of the 2024 Budget Law, the extension until 31 December 2024 has been established of the tariff facilitations set forth in Resolutions 252/2017/R/com and 429/2020/R/com.

Facilities following the exceptional weather events in the year 2024

With Resolution 10/2024/R/com, ARERA confirmed the intervention measures set by Resolution 565/2023/R/com as a result of the exceptional meteorological events of a flooding nature that occurred from 1 May 2023 in part of the territory of Emilia-Romagna, in some municipalities in the province of Pesaro and Urbino, and in the metropolitan city of Florence. In particular, Resolution No. 565/2023/R/com stipulated - in favour of end customers holding supply points active as of 1 May 2023 and located in the municipalities or in the fractions of municipalities referred to in Annex 1 to Decree-Law No. 61 of 1 June 2023, and serving homes or premises whose functional integrity had been compromised - that the tariff components covering network costs and general charges, as well as the fixed contributions for the deactivation, reactivation, and/or switching of utilities with reference to invoices issued or to be issued, or to the payment notices referring to the months of May, June, July, August, September, and October 2023, would not be applied.

With Resolution 10/2024/R/com, the Authority deemed it prudent to establish a final submission deadline of 30 June 2024 for tariff relief applications from interested parties. This measure was introduced to avoid creating uncertainty for end customers, which could have had implications for managers and operators in the supply chain. Consequently, the deadline for issuing the adjustment invoice or payment notice was set for 31 October 2024.

Regarding the exceptionally severe meteorological events that began on 2 November 2023 in certain areas of the provinces of Florence, Livorno, Pisa, Pistoia, and Prato, with Resolution 50/2024/R/com, ARERA confirmed the suspension of the payment deadlines for invoices, whether already issued or to be issued, as stipulated by Resolution 519/2023/R/com. This Resolution stipulated that the regulations concerning the suspension of payment terms

applied to utilities and active supplies situated in the streets, roads, squares, etc., of the Municipalities mentioned in Commissioner's Order No. 98 of 15 November 2023, for a period of six months, starting from the initial date of the events and concluding on 2 May 2024.

Code of Business Conduct

In Resolution 395/2024/R/com, the Authority mandated updates and improvements in the pre-contractual and contractual regulation as per the Code of Business Conduct.

Specifically, this measure has imposed certain obligations on sellers during the pre-contractual stage concerning the amendments to the Consumer Code stipulated by Legislative Decree No. 26 of 7 March 2023, which implements Directive (EU) 2019/2161 of the European Parliament and of the Council of 27 November 2019 (so-called Omnibus Directive).

This Resolution also updated the obligations of sellers in cases where changes to the contractual terms in electricity supply contracts occur due to unilateral amendments, automatic evolutions, and renewals of economic terms with alterations to the same, all to strengthen consumer protection and ensure transparency and certainty in implementing the new terms.

The aforementioned Resolution envisaged that the new regulatory provisions would come into force as of 1 January 2025, without prejudice to the validity of the regulatory provisions set out in the Legislative Decree No. 26/2023.

Gradual protection service for non-vulnerable domestic customers

In accordance with Resolution 362/2023/R/eel and subsequent amendments, as of 1 July 2024, the gradual protection service for non-vulnerable domestic customers lacking a supplier in the deregulated electricity market (hereinafter STG) was introduced. This service is provided by entities identified following competitive bidding processes conducted on 10 January 2024. Specifically, Enel Energia S.p.A. was appointed to provide the service for the Valle d'Aosta region and is committed to maintaining this service until 31 March 2027.

In contrast, vulnerable domestic customers continue to be temporarily served by the current provider of the enhanced protection service, without prejudice to the provisions available to them under Law No. 193 of 16 December 2024 (so-called Annual Competition Law 2023) to request access to the TSG by 30 June 2025, as an alternative to the enhanced protection service to which they are entitled. Vulnerable customers are those who meet at least one of the following conditions: they are in an economically disadvantaged condition or in a serious health condition such as to require the use of medical-therapeutic equipment powered by electricity; there are people present in their location in a serious health condition that requires the use of medical-therapeutic equipment powered by electricity; they are among the people with disabilities (pursuant to Article 3, Law 104/1992); their utilities are located on non-interconnected minor islands; their utilities are located in emergency housing facilities following calamitous events; they are over 75 years of age.

In implementation of Law 193/2024, Resolution 10/2025/R/eel mandates that between 22 January 2025 and 30 June 2025, all vulnerable domestic customers or those acquiring any of the vulnerability criteria by 30 June 2025 can apply for a transfer of contract, the activation of a new or previously deactivated withdrawal point, switch suppliers, or maintain their supply under the STG conditions with the appropriate local STG operator.

Bill 2.0

As a result of the proceedings initiated by Resolution 516/2023/R/com, the Authority approved the "End Customers' Energy Bill" regulation.

In fact, the Authority deemed it appropriate to carry out a revision of the regulation of the Bill 2.0 in order to pursue the following specific objectives:

- a. simplicity: highlighting essential information to increase the readability of the bill even at a first aggregated level;
- b. comprehensibility: providing elements to facilitate the verification of the amounts invoiced and the price paid within the framework of the applied contractual conditions;
- c. uniformity: ensuring greater harmonisation between the different operators in relation to the findability of information on the bill.

Under Resolution 315/2024/R/com, a new bill structure has been established, consisting of two regulatory documents, namely the Summary Bill - which in turn includes the Unified Front Page, the Energy Receipt, the Offer Box, and the Essential Information Elements - and the Detailed Elements.

These provisions shall apply from the first bill issued on or after 1 July 2025. At the same time, starting from that date, Resolution 501/2014/R/com is repealed, and in particular Annex A thereof containing the regulations on "Bill 2.0: Criteria for the transparency of bills for the consumption of electricity and/or gas distributed through urban networks".

Centralisation in the Integrated Information System

To promote the efficient and participatory functioning of retail markets, the Authority has initiated a gradual implementation and centralisation within the Integrated Information System (SII) of purely commercial processes and services related to more technical activities essential for managing electricity supplies.

In particular, as outlined in Resolution 638/2022/R/eel, the Authority has arranged for the centralisation of the process of suspending supply due to arrears and its subsequent reactivation, effective from 1 December 2023.

By Resolution 135/2024/R/eel, the Authority then ordered the centralisation:

- of decommissioning services starting from 1 February 2025;
- of the check-POD service starting from 1 July 2025;
- of activation services starting from 15 September 2025. In detail, only the services for low-voltage supplies subject to a quick quote by the seller in Table 5 of the TIQC are centralised. Requests for power variations are also included in the centralisation process, even if they are not simultaneous with the supply activation, as specified in Table 5 of the TIQC.

List of Third Parties

To enact the provisions outlined in Article 2, paragraph 3, of the Competition Law 2022, particularly the changes to Legislative Decree 102/2014, the Authority has introduced measures enabling meter data concerning the input and withdrawal of electricity by the same end customers to be accessed by third parties uniquely designated by these end customers through the Consumption Portal, adhering to personal data protection regulations.

In particular, with Resolution 158/2024/R/com, the Authority ordered the implementation by the company Acquirente Unico S.p.A., of a list of third parties (hereinafter: ETP), to which, among others, the trading counterparties of end customers can be registered.

Production of electricity

Dams Regulation

Effective 20 July 2024, Decree No. 94 of 14 May 2024 (so-called Dams Regulation) came into force. This decree regulates the process for project approval and the oversight of constructing, operating, and decommissioning retention dams and weirs.

This measure governed:

- the technical approval procedure for projects, the control over the construction and operation of retention facilities and diversion works (excluding small dams);
- the identification and modalities for the performance of the functions assigned to the Directorate General, concerning the safety and supervision aspects arising from the construction, operation, decommissioning, conservation, and maintenance of the works under its jurisdiction.

Generation auxiliary services

With Resolution 596/2023/R/eel, the Authority has extended the regulatory provisions described in Article 16 of TIT 2020-2023 up to 31 December 2024. This regulation dictates that neither transmission and distribution tariffs nor components covering general system charges are applicable to the electricity drawn to supply generation auxiliary services, as well as to withdrawals from storage systems intended for future feed-in, even if treated as withdrawn energy.

Therefore, for the year 2024 as well, the Authority has extended the transitional period of coexistence between the regulations outlined in Resolution 109/2021/R/EEL, which treats electricity withdrawn to power auxiliary generation services and withdrawals from storage systems intended for subsequent feed-in as negative feed-in energy, and the provisions of Article 16 of the TIT 2020-2023

Regarding this matter, CVA S.p.A. a s.u., CVA EOS S.r.l., and Valdigne Energie S.r.l. adhered to the stipulations in Resolution 109/2021 and, as a result, informed CVA Energie S.r.l. a s.u. about ending the electricity supply contracts concerning the PODs of ancillary services at their production sites, which were governed by Article 16 of the TIT.

Insurance to cover damage caused by catastrophic events

In accordance with paragraphs 101 to 111 of the Budget Law 2024, companies with their registered office in Italy, required to register in the companies' register, are obligated to procure insurance by 31 December 2024. This insurance must cover damage to land, buildings, plant and machinery, as well as industrial and commercial equipment directly caused by events such as earthquakes, floods, landslides, and inundations.

This deadline was subsequently extended to 31 March 2025 by Decree-Law No. 202 of 27/12/2024 on "Urgent provisions on regulatory deadlines" (so-called DL Milleproroghe 2025).

WACC

With Resolution 513/2024/R/eel, the Authority updates, for the year 2025, the values of the WACC parameters common to all infrastructure services of the electricity sector. Consequently, the 2025 WACC for electricity distribution is set at 5.6%, which is lower than the 2024 rate (6%).

REMIT II

On 17 April 2024, Regulation (EU) 2024/1106 was published in the Official Journal of the European Union (so-called REMIT II) of the European Parliament and of the Council of 11 April 2024, amending Regulations (EU) No 1227/2011 and (EU) 2019/942 as regards enhancing the Union's protection against market manipulation in the wholesale energy market.

In particular, the REMIT introduces specific rules aimed at:

- defining abusive practices, in relation to market manipulation (or attempted manipulation) and insider trading;
- identifying and countering cases of market manipulation (or attempted manipulation) and insider trading through a monitoring system of European energy markets;
- prohibiting such abusive practices in wholesale energy markets;
- imposing on market operators the obligation to publish the "inside information" in their possession;
- adopting the appropriate verification and control initiatives by ensuring that the national regulatory authorities (and ACER in some cases) have specific powers of investigation, enforcement, and sanction.

This Regulation applies to market operators, meaning any physical or legal person, including transmission system operators, distribution system operators, storage system operators, and LNG system operators, who perform operations, including the transmission of buy and sell orders, in one or more wholesale energy markets. Under REMIT, relevant wholesale energy products encompass contracts for the supply, transportation, and storage of electricity, hydrogen, and gas, including LNG, and associated derivative contracts marketed or delivered within the territory of the European Union.

This Regulation is directly applicable in each of the Member States and entered into force on 7 May 2024.

Energy Market Reform

From September 2021, electricity markets have been marked by significantly high prices and volatility, driven by the elevated cost of gas used for electricity generation. In particular, since February 2022, there has been an escalation of the Russian war of aggression towards Ukraine, and the consequent international sanctions have led to a gas crisis that has had considerable repercussions on electricity prices. Additionally, the reduced availability of several nuclear reactors and low hydropower production have further amplified the increase in energy prices.

Therefore, it was considered appropriate to modify the electricity market structure so that consumers, including the most vulnerable ones, could benefit from the growing spread of renewable energies and the overall energy transition. This would protect them from energy crises and prevent other household consumers from falling into energy poverty.

These modifications to the European Union electricity market were enacted by EU Regulation 2024/1747 and EU Directive 2024/1711, which became effective on 16 July 2024 - updating several previous European regulations and directives - primarily to achieve the following objectives:

- protect consumers from energy price volatility;
- improve the stability and predictability of the cost of energy;
- encourage investments in energy.

FY 2024

Industrial, Economic, Financial, and Asset Performance

The year 2024 marked the completion of the transformation process for the CVA Group and its transition towards the objectives outlined in the Strategic Plan. We operated in a complex market environment marked by macroeconomic and legislative uncertainties, rising geopolitical tensions, declining energy prices, and unpredictability. Despite challenging market conditions, a series of extraordinary operations were concluded, allowing for the completion of the Group's industrial structure and the strengthening of its market position, the economic and equity outcomes of which will be visible in the years to come.

Extraordinary Transactions

In 2024, the perimeter of the Group was further structured compared to 2023 with a series of operations carried out by the subsidiary CVA EOS S.r.l. a s.u. (hereafter also called CVA EOS), which were necessary to complete the industrial structure of the "Other RES" business unit focused on generating electricity from renewable sources other than hydroelectric power. Below is the summary of the operations carried out:

- **Renergetica:** following the acquisition of 4,862,219 ordinary shares of Renergetica S.p.A by CVA EOS in 2023, which constitutes 60.00% of the share capital, a total of 1,313,503 ordinary shares were tendered on 12 January 2024 as a result of the total tender offer (OPA) initiated in December 2023. These shares represent 90.942% of the shares targeted by the Tender Offer and 16.209% of Renergetica's share capital. On 08 February 2024, to comply with the purchase obligation under Article 108, paragraph 1, of the TUF, CVA EOS concluded the procedure for acquiring the remaining 130,833 shares. Consequently, Borsa Italiana has ordered the suspension of trading of Renergetica's shares on Euronext Growth Milan for the sessions of 6 and 7 February 2024, and revoked them from trading starting from the session of 8 February 2024 (so-called delisting), in accordance with Article 111 of the TUF. Additionally, on 16 April 2024, CVA EOS finalised the acquisition of further shares to gain full 100% ownership of Renergetica. This was achieved through the purchase of 1,797,143 ordinary shares, accounting for the remaining 22.18% of Renergetica's share capital, from Exacto S.p.A.;

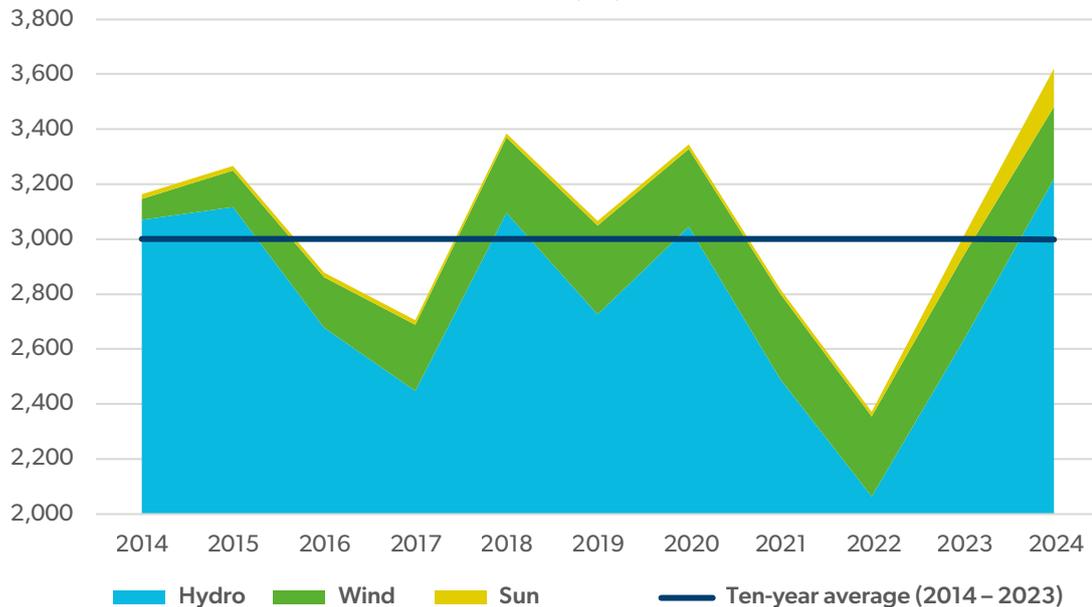
- **EOS Monte Rughe:** on 08 February 2024, a further 19% stake in the share capital of EOS Monte Rughe S.r.l. was purchased. EOS Monte Rughe S.r.l. holds a wind farm project of around 65 MW located in Sardinia, in the province of Sassari, with its authorisation process underway. As a result, CVA EOS now holds 70% of the company's share capital;
- **Sunnerg Group:** on 27 May 2024, the acquisition of a controlling stake amounting to 60% of Sunnerg Group S.r.l.'s share capital was completed. This company, the parent of several firms established since 2018, specialises in engineering, procurement, and construction of renewable energy power plants. The Sunnerg Group operates as a general contractor and service provider, specialising in the design and execution of turnkey projects within the B2B renewable energy sector in the Italian, British, and Romanian markets. More specifically, Sunnerg Group holds 100% of the share capital of the English-registered company Sunnerg LTD, 100% of the share capital of the Romanian-registered company Sunnerg Renewable Service S.r.l., and 100% of the share capital of the Romanian-registered company Sunnerg Construction S.r.l.;
- **Solar Italy:** on 01 August 2024, CVA EOS executed the sale and purchase agreement, signed on 26 June 2024, for the acquisition of 18 photovoltaic projects, totalling 59 MW (of which 22 MW are operational, 7 MW are under construction, and 30 MW are either authorised or under development), through the acquisition of 100% of the share capital of 5 special purpose vehicles previously controlled by Solar 2.0 S.r.l., part of the Solar Ventures S.r.l. group, one of Italy's leading independent producers of electricity from renewable sources and an operator specialised in the development, construction, and financing of photovoltaic plants. As part of the transaction, on the same date, the entire share capital of SV Land S.r.l. was acquired. This company owns approximately 70 hectares of land, intended for generating electricity from photovoltaic plants, located in Piedmont, Sardinia, Apulia, and Molise;
- **Eolica Cancellara:** on 20 December 2024, Clarion Wind S.r.l. acquired the entire shareholding of Eolica Cancellara S.r.l., the owner of a 39.6 MW operational wind farm situated in the Municipality of Cancellara, Province of Potenza, benefiting from incentive tariffs as per the Ministerial Decree of 6 July 2012.

Industrial performance

- **Electricity production:** In 2024, the Group, with your Company as the parent, achieved its highest result ever in terms of electricity production volumes, generating a total of 3,602 GWh. This marks a 19.9% increase from the 3,004 GWh produced in 2023. This outcome benefited from the favourable hydrological conditions of 2024, which allowed for the generation of 3,220 GWh of electricity from hydroelectric sources, despite the flooding event in June 2024 that severely affected the Valle d'Aosta region, causing damage and production stoppages at the Group's plants. It is important to underscore the fluctuation in the volumes of electricity generated by the Group's hydroelectric facilities, with the final results for 2024 showing a +23% growth relative to 2023 and a +24.3% improvement compared to the average hydroelectric production from the five-year timeframe 2019-2023 (2,590 GWh), a period that also includes the lowest performance on record (2,063 GWh in 2022). This discontinuity highlights the validity of the strategic plan your company is pursuing, aimed at the technological and geographical diversification of its power generation facilities. The total production reached 3,602.0 GWh, marking an increase of 618 GWh compared to 2023, and includes 3,220 GWh from hydroelectric plants and 382 GWh from wind and photovoltaic sources ("Other RES").

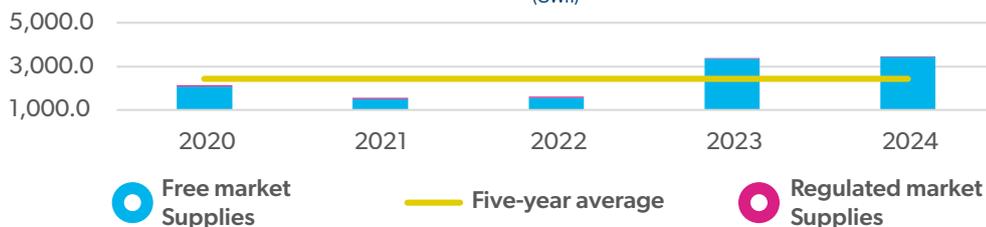
The latter benefit from 40 GWh due to the contribution of new assets that came into operation, and 32 GWh from new assets entering the Group's scope in 2024 (values referring only to production realised in the consolidation period). This contribution is partly offset by a decrease in production from the "Other RES" operational assets, which fell by 48.7 GWh, or -12.9% on a like-for-like basis, due to lower windiness throughout the country during the 2024 financial year;

Historical trend of production (GWh)



- Installed capacity of the plants:** In 2024, the Group carried out the construction of new renewable energy plants, resulting in the creation of 10 new photovoltaic parks with a total installed capacity of 59.6 MW. Of these, 7 parks began operations, contributing 37.1 MW, while 3 are awaiting connection to the national transmission grid. At the end of 2024, the Group's renewable energy production facilities had an installed capacity of 1,244.8 MW, comprising 936.5 MW from hydroelectric sources, 197.2 MW from wind power, and 111.1 MW from photovoltaic sources (the latter two together, referred to by the Business Unit as "Other RES", amount to a total installed capacity of 308.3 MW);
- Supply to end customers:** The Group, through its subsidiary CVA Energie, operated in supplying customers in the deregulated market and the protected market. For the deregulated market business segment, the 2024 industrial objective was to maintain the energy supply volumes with a strong focus on customer service and the profitability of contracts. 3,232 GWh were supplied to this segment (+1% compared to 2023). In the retail market, the objective was to formulate commercial proposals to increase the number of administered customers, aiming to recover some of the clients who switched to another operator due to the Greater Protection auctions. In 2024, the number of retail customers supplied in the deregulated market, equal to 56,763, recorded an increase of 7.4% compared to 52,846 in 2023.

Energy supplied (GWh)



- **Others:** In 2024, 897.5 GWh of electricity were distributed in the Valle d'Aosta region, marking a 3.6% increase and supplying a total of 130,285 delivery points, up from 129,038 in 2023. The "Energy Efficiency" Business Unit in 2024 completed the "Superbonus 110" efficiency projects and initiated energy efficiency projects with industrial clients. In 2024, the CVA Group entered the business of providing design, construction, commissioning, and maintenance services for photovoltaic power plants by acquiring the controlling shares of Sunnerg Group S.r.l. In 2024, the Sunnerg Group provided full turnkey solutions for plants totalling approximately 195 MWp in Italy and is constructing plants of 191 MWp in the UK and 142 MWp in Romania through its foreign subsidiaries. The activity is also carried out abroad through the following investee companies:
 - o Sunnerg LTD, which operates in the UK market as a General Contractor;
 - o Sunnerg Renewable Service S.r.l., which operates in the Romanian market as a General Contractor;
 - o Sunnerg Construction S.r.l., which provides support services for construction, installation, and maintenance of plants in Romania.

Economic performance of the CVA Group

As with the acquisitions made in 2023, the financial integration of the SUNNERG Group and the corporate vehicles of the Solar Italy group is recognised only from the date they join the CVA Group. The table below summarises the main indicators of the consolidated income statement as of 31 December 2024 on a like-for-like basis with 2023. For more information on the change in the scope of contribution in 2024, please refer to the section "Scope of Consolidation" in the Notes to the Financial Statements.

Amounts in thousands of Euro

	2024	2023
TOTAL REVENUES	1,343,653	1,657,759
TOTAL OPERATING COSTS	(933,828)	(1,368,394)
EBITDA	409,825	289,365
AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS	(87,721)	(77,851)
EBIT	322,104	211,514

The following table provides a summary of the financial results, with the corporate scope also taking into account the extraordinary operations of 2024.

Amounts in thousands of Euro

	2024	2023
TOTAL REVENUES	1,407,121	1,657,759
TOTAL OPERATING COSTS	(992,027)	(1,368,394)
EBITDA	415,094	289,365
AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS	(89,255)	(77,851)
EBIT	325,839	211,514
Net Financial Income and Expenses	(13,997)	7,436
PRE-TAX RESULT	311,842	218,950
(CHARGES) TAX INCOME	(93,073)	(59,635)
PERIOD NET RESULT	218,769	159,315
PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	213,240	157,488
PROFIT/(LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	5,529	1,827

When analysing the economic performance for 2024 and comparing it to the figures recorded at the end of the previous year, it is initially necessary to consider that for all extraordinary transactions carried out in 2023, 2024 represents the first complete financial year and, consequently, assuming the same scope of consolidation, some economic differences between the two years are attributable solely to the different time periods in question.

Despite a 15% decline in the Group's revenues, which amounted to Euro 1,407,121 thousand in 2024 compared to Euro 1,657,759 thousand in 2023, the gross operating margin (EBITDA) achieved a remarkable increase, surpassing Euro 400 million for the first time in the company's history, reaching Euro 415,094 thousand. The EBITDA variation, amounting to Euro 125,729 thousand, is attributable in part to Euro 35,070 thousand of higher non-recurring costs, which compressed the 2023 results, related to extraordinary tax levies. Additionally, Euro 81,908 thousand is attributable to the Hydro BU due to increased production.

The change in revenue is primarily attributable to the movement in electricity commodity prices, with the average PUN for 2024 being 108.52 €/MWh, compared to 127.24 €/MWh in 2023; this effect was only partially offset by the revenue from the sale of increased volumes of generated electricity.

Despite a rise in the volume of energy supplied to customers in the deregulated market (3,440 GWh in 2024 versus 3,369 GWh in 2023), revenues from supplying electricity to deregulated market customers, including the value of related hedges activated to manage the price risk of energy sold, remained largely stable (Euro 468,617 thousand in 2024 compared to Euro 470,400 thousand in 2023).

Revenues from services, which amounted to Euro 116,428 thousand in 2023, totalled Euro 123,576 thousand at the end of 2024. The change (+6%) is the result of very significant opposing variables, in particular:

- the Energy Efficiency Business Unit, which in 2023 had accounted for revenues of Euro 111,881 thousand related to energy efficiency improvements of buildings, sees these revenues fall, also due to the end of the incentive system called "Superbonus 110", to Euro 48,208 thousand, while the value of energy services provided mainly by the subsidiary Nuova Energia rises to Euro 4,307 thousand from Euro 2,145 thousand in 2023, also considering the consolidation of full-year 2024 results;
- the "Other RES" Business Unit reports consolidated service revenues amounting to Euro 69,169 thousand due to the expansion of the Group's consolidation scope, incorporating activities provided by the Sunnerg Group companies following their acquisition on 27 May 2024.

"Operating grants" recorded a positive change of 36% from Euro 23,286 thousand in 2023 to Euro 36,256 thousand in 2024. The change benefits, as a result of the pricing algorithm, from the incentive system known as GRIN (Gestione Riconoscimento Incentivo), which allows all IAFR-qualified ex-CV plants to benefit from the incentives provided by the Ministerial Decree 06/07/2012 calculated on the volumes of energy produced.

Also noteworthy is the change in the value of contract work in progress, which increased from Euro 1,412 thousand in 2023 to Euro 10,170 thousand in 2024, mainly related to inventories of work in progress for the construction of photovoltaic energy production plants accrued as of 31 December 2024 by the Sunnerg Group companies.

Operating expenses recorded a decrease of Euro 376,368 thousand, which is the result of changes of opposite sign. The most significant changes registered are related to: i) the purchase cost of electric power, which, including the value of the hedges activated to manage the price risk on purchased energy, shows a lower cost of Euro 422,512 thousand due to the lower volumes of electric power purchased, also as a result of the higher production realised by the Group's plants, ii) higher operating costs, amounting to Euro 54,591 thousand, resulting from the change in the company's scope, and iii) the absence of non-recurring charges, amounting to Euro 35,874 thousand, which were present in the 2023 financial statements and are associated with extraordinary levies on energy operators introduced by the Italian Government to finance measures aimed at containing the increase in energy prices.

Personnel costs increased from Euro 49,681 thousand in 2023 to Euro 64,580 thousand at the end of 2024, with EUR 2,013 thousand attributed to the expanded scope of consolidation of the Group. The acquisitions completed in 2024 and the staff increases made for greater organisational needs brought the average workforce of the CVA Group to a total of 905, with the workforce at the end of 2024 amounting to 952, compared to the average of 717 units in 2023.

The change in the scope of consolidation affected the increase by Euro 1,534 thousand in the costs for Depreciation, Amortisation, Provisions, and Write-downs, the value of which rises from Euro 77,851 thousand in 2023 to Euro 89,255 thousand in 2024, which also takes into account the depreciation cost of assets that became operational in 2024.

EBIT stood at over Euro 325,839 thousand (it was Euro 211,514 thousand in 2023) and generated, after discounting the negative financial charges and income balance of Euro 13,997 thousand (it was positive at Euro 7,436 thousand in 2023) and absorbing tax charges of Euro 93,073 thousand, a consolidated net profit of Euro 218,769 thousand (Euro 159,315 thousand in 2023), of which Euro 5,529 thousand is attributable to third parties.

Regarding the financial income and expenses, which amount to a total cost of Euro 13,997 thousand, the difference from last year results from the previous year's figures being positively affected by the release of Euro 25,453 thousand from the ineffective portion of the hedges established in advance against the interest rate risk on the new debt.

The table below shows the main indicators of the consolidated income statement adjusted for the contribution of non-recurring items.

Adjustments for non-recurring items

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
Adjusted revenues	1,407,121	1,656,956	(249,835)	-15.08%
Adjusted Gross Operating Margin (Adjusted EBITDA)	414,886	324,436	90,450	27.88%
Adjusted Operating Result (Adjusted EBIT)	325,172	244,653	80,519	32.91%
Adjusted pre-tax result (Adjusted EBT)	311,175	226,398	84,777	37.45%

Key Balance Sheet Indicators

The main balance sheet trends for the period are a result of the extraordinary transactions implemented to achieve the Business Plan targets.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
Invested Capital	1,763,447	1,669,378	94,069	5.63%
Financial liabilities	941,290	957,121	(15,831)	-1.65%
Cash and cash equivalents and other financial assets	382,988	413,765	(30,777)	-7.44%
Shareholders' equity	1,205,145	1,126,022	79,123	7.03%

Invested Capital at 31 December 2024 (Euro 1,763,447 thousand) shows an increase of Euro 94,069 thousand compared to 31 December 2023, when it amounted to Euro 1,669,378 thousand. The increase is mainly attributable to the effect of the following determining factors:

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
Tangible assets	1,031,244	942,947	88,297	9.36%
Intangible assets	71,445	26,009	45,436	174.69%
Goodwill	471,077	419,531	51,546	12.29%
Equity investments	23,213	23,780	(567)	-2.38%
Other non-current	167,168	214,120	(46,952)	-21.93%
Current assets	474,973	502,117	(27,144)	-5.41%
Non-current liabilities	(163,754)	(179,822)	16,068	-8.94%
Current liabilities	(311,920)	(279,302)	(32,618)	11.68%
Total invested capital	1,763,446	1,669,380	94,066	5.63%

The fixed assets, net of financial assets, amounted to Euro 1,764,147 thousand as of 31 December 2024 (consisting of Euro 1,031,244 in tangible assets, Euro 71,445 in intangible assets, Euro 471,077 in goodwill, Euro 23,213 in equity investments, and Euro 167,168 in other non-current assets), marking an increase compared to 31 December 2023, when it was Euro 1,626,386 thousand.

The increase is mainly due to the effect of the following determining factors:

- Euro 133,600 thousand for investments in tangible and intangible assets referred to the Group's 2023 scope of consolidation, in addition to the related depreciation and amortisation (Euro 87,221 thousand) for the period;
- new assets, including goodwill, arising from the extraordinary transactions of the period for a total of Euro 135,776 thousand net of amortisation of Euro 1,521 thousand. Concerning the new assets, attention should be drawn to the goodwill change of Euro 51,546 thousand, of which Euro 43,679 thousand is attributed to goodwill provisionally recorded because the company, in connection with the acquisition of Eolica Cancellara S.r.l., has chosen to take advantage of the option provided by international accounting standards to conduct the Purchase Price Allocation procedure (refer to IFRS 3) within 12 months following the completion of the transaction;

Net Financial Position

The Net Financial Position or 'Net Debt' is an indicator of financial performance and sustainability, and generally, it can be defined as the sum of financial liabilities net of cash and cash equivalents and current financial assets. Your Company has conducted the Net Debt calculation on the basis of ESMA Guideline 32-382-1138, which pertains to disclosure obligations under the EU Regulation 2017/1129 issued by the European Securities and Markets Authority (ESMA). In 2024, the Net Debt of the CVA Group worsened slightly by 1.44% from Euro 567,608 thousand in 2023 to Euro 575,788 thousand in 2024. The cash flows generated and the careful management of working capital made it possible to contain the increase in NPF despite the considerable industrial investment plan that absorbed financial resources of Euro 271,156 thousand in 2024 and Euro 75,050 thousand in dividends distributed. By contrast, the Net Debt/EBITDA ratio shows a noticeable improvement compared to 2023 (moving from 1.96 in 2023 to 1.39 in 2024) and is fully sustainable for the Group and significantly lower than that recorded by other market operators.

Amounts in Euro thousands

	2024	2023	2024 vs 2023	
			Change	% change
A Cash and cash equivalents	12	20	(8)	-38.58%
B Cash equivalents	356,928	388,607	(31,678)	-8.15%
C other current financial assets	8,561	886	7,675	865.86%
D Cash and cash equivalents (A+B+C)	365,502	389,513	(24,011)	-6.16%
G Current financial debt	432,118	100,890	331,228	328.31%
H NET CURRENT FINANCIAL DEBT (G-D)	66,616	(288,623)	355,239	-123.08%
I Non-current financial debt	370,445	745,318	(374,873)	-50.30%
J Debt instruments	82,880	84,711	(1,831)	-2.16%
K Trade and other payables non current	55,847	26,202	29,645	113.14%
L Non-current financial debt (I+J+K)	509,172	856,232	(347,059)	-40.53%
M TOTAL NET FINANCIAL POSITION (NET DEBT) (H+L)	575,788	567,608	8,180	1.44%

It is important to highlight that the acquisition of Eolica Cancellara on 20 December 2024 adversely affected the Net Debt/EBITDA ratio, as this transaction impacted only the Net Debt without allowing the company to generate an effect on the Group's 2024 EBITDA, due to the date of the acquisition.

It should also be noted that the application of the ESMA Guideline has highlighted in the Net Debt, within the category "Trade and other non-current payables", items that are not financial in nature. These pertain to trade payables related to existing obligations within the Group, where the final amounts remain uncertain in terms of both total size and liability. As an example, the case of the legal positions taken with put/call options is cited, where the combined effect of applying IFRS Principles (which require accounting for the option by recognising a financial liability) and the application of the ESMA Guideline (which imposes recognition in the Net Debt) results in an increased debt of Euro 43,772 thousand. For information purposes, it should be noted that the debt solely pertaining to financing agreements amounted to Euro 860,214 thousand by the end of 2024. Taking into account liquidity of Euro 383,994 thousand (which also comprises liquidity investments of Euro 18,492 thousand recorded, in accordance with Accounting Principles, in other non-current financial assets but contractually available at any time), the net financial position, calculated exclusively on the debt related to financing agreements, amounted to Euro 476,219 thousand as of 31 December.

Alternative Performance Indicators (API)

In this Report on Operations, in order to allow for a better assessment of economic-financial operating performance, certain Alternative Performance Indicators (hereinafter also "API") are reported, in line with the indications of the European Securities and Markets Authority (ESMA). In accordance with the aforementioned Guidelines, the descriptions, content and bases of calculation used for the construction of the Alternative Performance Indicators adopted by the Group are described below.

Below is a table summarising the main API identified by the Group.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
Economic data				
EBITDA	415,095	289,365	125,730	43.45%
Adjusted EBITDA	414,886	324,436	90,450	27.88%
EBIT	325,839	211,514	114,326	54.05%
Adjusted EBIT	325,172	244,653	80,519	32.91%
Equity and financial information				
Investments	222,052	421,947	(199,895)	-47.37%
Net Working Capital	165,073	314,245	(149,172)	-47.47%
Net Invested Capital	1,654,343	1,627,476	26,867	1.65%
Net Debt	575,788	567,608	8,180	1.44%
Economic-Equity indexes				
ROE	22.18%	16.48%	5.70%	-
ROI	19.70%	13.00%	6.70%	-
Financial independence	53.41%	52.31%	1.10%	-

Economic data

Gross Operating Margin or EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) - It is an indicator of the operating performance, used by the management to monitor and evaluate the performance of the Group. It is defined by management as a result before tax for the year, financial income/expenses, income/expenses from investment, amortisation, provisions and write-downs.

Adjusted Gross Operating Margin (Adjusted EBITDA) - This is the Gross Operating Margin or EBITDA (as defined in the previous point) adjusted to take account of some non-recurring income and expenses, not strictly related to the Group's core business and operations. The identification of this indicator therefore allows a more homogeneous analysis of the Group's performance during the financial years.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
EBITDA	415,095	289,365	125,730	43.45%
Contribution to GSE pursuant to Art. 15-BISDL 4/2022	-	35,063	(35,063)	-
Contribution to GSE Art. 1 paragraph 30 Law 197/22	-	812	(812)	-
Contribution to non-energy-intensive enterprises	-	(248)	248	-
Tozzi SUD bankruptcy definition	-	(555)	555	-
IMU reimbursement for the Municipality of La Thuile	(209)	-	(209)	-
Adjusted EBITDA	414,886	324,436	90,450	27.88%

Operating result or EBIT (Earnings Before Interest and Taxes) - Also in this case, it is an indicator of operating Performance and is used by management to monitor and evaluate the performance of the Group. It is defined by the management as the result before taxes for the year, financial income/expenses and income/expenses from investment.

Adjusted Operating Result (Adjusted EBIT EBIT) - This is the Operating Result or EBIT (as defined in the previous point) adjusted to take account of some non-recurring income and expenses, not strictly related to the Group's core business and operations. The identification of this indicator therefore allows a more homogeneous analysis of the Group's performance during the financial years.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
EBIT	325,839	211,514	114,326	54.05%
Contribution to GSE pursuant to Art. 15-BISDL 4/2022	-	35,063	-	-
Contribution to GSE Art. 1 paragraph 30 Law 197/22	-	812	-	-
Contribution to non-energy-intensive enterprises	-	(248)	-	-
Definition Dispute Self-producer with AdD	-	(2,287)	-	-
Tozzi SUD bankruptcy definition	-	(164)	-	-
Allocation to provision Additional Dispute	-	(36)	-	-
IMU reimbursement for the Municipality of La Thuile	(209)	-	-	-
Provisioning of self-producer litigation funds	(612)	-	-	-
Provisioning of additional litigation funds	(5,323)	-	-	-
Write-down of additional receivables	5,476	-	-	-
Adjusted EBIT	325,172	244,653	80,519	32.91%

Equity/financial information

Shareholders' equity Adjusted – Represents a balance sheet indicator that allows for the evaluation of the value of the Group's Shareholders' Equity adjusted by the effect deriving from the reserves recognised for hedging transactions in derivatives as well as the reserve that includes the actuarial value related to defined benefit plans for employees, not considered in the calculation of shareholders' equity for the purposes of Articles 2412, 2433, 2442, 2446 and 2447 of the Civil Code.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
SHAREHOLDERS' EQUITY	1,205,145	1,126,022	79,123	7.03%
Cash Flow Hedge reserve	58,191	153,655	(95,464)	-62.13%
IAS 19 Employee benefits reserves	(1,272)	(1,382)	111	-8.02%
Cost of Hedging reserve	(49,918)	(122,733)	72,815	-59.33%
SHAREHOLDERS' EQUITY Adjusted	1,198,143	1,096,483	101,661	136.50%

Net investments - Represents an equity indicator that allows an assessment of the increase in fixed assets of the Group, determined by the sum of increases (costs incurred for the realization and/or acquisition of goods or services for which the Group expects to be able to benefit from future economic benefits) in tangible, intangible and financial assets, net of divestments, including any effect deriving from changes in the scope of consolidation for the year. The value also includes gains/losses on the disposal of assets, write-downs made in connection with a goodwill Impairment test as well as the value of write-downs and write-backs of assets.

Net Working Capital - Represents an equity indicator that allows the Group's liquidity situation to be assessed and is determined by the algebraic sum of the values represented in the balance sheet of Current assets (positive sign) and Current liabilities (negative sign) of a non-financial nature.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
Inventories	41,030	18,444	22,586	122.46%
Trade receivables	228,336	330,961	(102,624)	-31.01%
(Trade payables)	(173,557)	(181,242)	7,685	-4.24%
TRADE WORKING CAPITAL	95,810	168,162	(72,352)	-43.03%
Tax receivables/(payables)	39,364	35,641	3,722	10.44%
Other assets/(liabilities)	29,899	110,442	(80,543)	-72.93%
NET WORKING CAPITAL	165,073	314,245	(149,173)	-47.47%

Net Invested Capital - Represents an equity indicator that allows the total assets held by the Group to be valued and is determined by the algebraic sum (balance sheet asset positive sign and balance sheet liability negative sign) of "Net fixed assets", "Net working capital" and "Employee benefits", "Provisions for risks and charges" and "Deferred tax liabilities".

"Net fixed assets", which are equal to Total Non-current assets, are determined as the sum of Tangible assets, Intangible assets, Goodwill, Equity investments, Financial assets, Sensitivity assets and Other non-current assets.

Amounts in thousands of Euro

	2024	2023	2024 vs 2023	
			Change	% change
Fixed capital	1,596,979	1,412,267	184,713	13.08%
Net Working Capital	165,073	314,245	(149,173)	-47.47%
Deferred tax assets/(liabilities)	(55,685)	(49,085)	(6,600)	13.45%
Provisions for risks/charges and Employee benefits	(35,788)	(30,796)	(4,992)	16.21%
Other non-current assets/(liabilities)	(16,236)	(19,154)	2,919	-15.24%
NET INVESTED CAPITAL	1,654,343	1,627,476	26,867	1.65%

Economic-equity indexes

ROE or Return On Equity - Represents an economic-equity indicator that makes it possible to assess the ability to remunerate the risk capital that shareholders used. It is determined by the ratio between net profit (or loss) for the year and shareholders' equity, net of the net result for the year.

Amounts in thousands of Euro

	2024	2023
Net result of the period (A)	218,770	159,315
Total shareholders' equity (B)	1,205,145	1,126,022
Total shareholders' equity, adjusted of the result of the year (B-A)	986,375	966,707
ROE (RETURN ON EQUITY) [A / (B-A)]	22.18%	16.48%

ROI or Return On Investment - Represents an economic-equity indicator that allows evaluating the profitability and the economic efficiency of the ordinary operations regardless of the sources used; i.e. this index expresses the yield of the capital invested through typical operations. It is determined by the ratio between the Operating Result (EBIT) and the Net Invested Capital, as defined above

Amounts in thousands of Euro

	2024	2023
EBIT (A)	325,839	211,514
Net Invested Capital (B)	1,654,343	1,627,476
ROI (RETURN ON INVESTMENT) (A / B)	19.70%	13.00%

Financial independence - The financial independence index indicates the percentage of business activity guaranteed by equity, i.e. the capital contributed by the shareholders. This index is determined by the ratio between shareholders' equity and total assets, net of other current financial assets and cash and cash equivalents.

Adjusted financial independence, which expresses the ratio between the **adjusted equity** as described above and the total assets, net of other current financial assets and cash and cash equivalents

Amounts in thousands of Euro

	2024	2023
Total shareholders' equity (A)	1,205,145	1,126,022
Total Assets (B)	2,622,109	2,542,268
Other current financial assets (C)	18,561	10,889
Cash and cash equivalents (D)	346,941	378,624
Adjusted Total Assets (B-C-D)	2,256,607	2,152,755
FINANCIAL INDEPENDENCE INDEX [A / (B-C-D)]	53.41%	52.31%

Net Debt/EBITDA - The Net Debt/EBITDA index indicates the ratio between EBITDA and the Net Financial Position (Net Debt) and is a valid indicator for measuring the ability to repay indebtedness. It is one of the most common indices of financial sustainability and is the subject of specific financial covenant clauses in loan agreements. This index is determined by the ratio of the Net Financial Position (calculated in line with ESMA Guideline 32-382-1138) to EBITDA.

Net Debt/EBITDA ratio	2024	2023
Net Financial Position	575,788	567,608
EBITDA	415,095	289,365
NET DEBT/EBITDA RATIO	1.39	1.96

Adjusted Net Debt/EBITDA, expresses the ratio of Adjusted Net Financial Position to Adjusted EBITDA. The Adjusted Net Financial Position differs from the Net Financial Position (calculated in line with Guideline ESMA32-382-1138) because, in the debt calculation, only components related to financing contracts are considered.

Amounts in Euro thousands

	2024	2023	2024 vs 2023	
			Change	% change
A Cash and cash equivalents	12	20	(8)	-38.58%
B Cash equivalents	356,928	388,607	(31,678)	-8.15%
C other current and non-current financial assets	26,428	25,895	533	2.06%
D Cash and cash equivalents (A+B+C)	383,368	414,522	(31,153)	-7.52%
G Current financial debt	427,516	88,712	338,804	381.92%
H NET CURRENT FINANCIAL DEBT (G-D)	44,148	(325,810)	369,958	-113.55%
I Non-current financial debt	353,600	732,817	(379,217)	-51.75%
J Debt instruments	83,931	85,878	(1,947)	-2.27%
K Trade and other payables non current	-	-	-	N.A.
L Non-current financial debt (I+J+K)	437,530	818,695	(381,164)	-46.56%
M TOTAL FINANCIAL DEBT (H+L)	481,678	492,885	(11,207)	-2.27%

Net Debt/EBITDA ratio - Adjusted	2024	2023
Adjusted Net Financial Position	481,678	492,885
Adjusted EBITDA	414,886	324,436
ADJUSTED NET DEBT/EBITDA RATIO	1.16	1.52

Operating Performance by Business Unit (BU)

For management purposes, the Group is organised into Business Units (also business sectors), the subdivision of which reflects the reporting structure analysed by the management and the Board of Directors in order to manage and plan the Group's activities. In compliance with the provisions of IFRS 8 - Operating Segments, information is provided below for Business Units, identified on the basis of the management structure and the internal reporting system of the Group.

The operating segments in which the CVA Group is divided are represented by the following Business Units:

- Hydro Business Unit;
- Distribution Business Unit;
- Sales Business Unit;
- Other RES Business Unit;
- Energy Efficiency Business Unit;
- Corporate Business Unit.

The following tables provide a breakdown by business unit of the Group's income statement and balance sheet figures for the financial years 2024 and 2023

Amounts in Euro thousands		For the year ended 31 December 2024						
ECONOMIC DATA BY BUSINESS SECTOR	Hydro	Distribution	Sales	Other RES	Energy efficiency	Corporate	Eliminations	Total
Revenues	365,449	43,335	1,225,180	130,130	54,765	3,138	(414,876)	1,407,121
Personnel cost	(17,024)	(8,390)	(4,497)	(6,484)	(7,536)	(20,648)	-	(64,580)
Other operating costs	(60,347)	(13,177)	(1,123,483)	(76,131)	(39,389)	(21,831)	406,912	(927,447)
Gross Operating Margin (EBITDA)	288,078	21,768	97,200	47,515	7,841	(39,342)	(7,964)	415,095
% of revenues	78.8%	50.2%	7.9%	36.5%	14.3%	-1253.9%	1.9%	29.5%
Amortisation, depreciation, provisions and write-downs	(27,458)	(11,341)	805	(47,456)	(281)	(4,143)	619	(89,255)
Operating Result (EBIT)	260,620	10,427	98,005	59	7,559	(43,485)	(7,345)	325,839
% of revenues	71.3%	24.1%	8.0%	0.0%	13.8%	-1385.9%	1.8%	23.2%
Result from non-recurring transactions	209	-	458	-	-	-	-	668
Adjusted Operating Result (Adjusted EBIT)	260,410	10,427	97,546	59	7,559	(43,485)	(7,345)	325,172
% of revenues	71.3%	24.1%	8.0%	0.0%	13.8%	-1385.9%		23.1%
Financial balance	-	-	-	-	-	(13,997)	-	(13,997)
PRE-TAX RESULT	260,620	10,427	98,005	59	7,559	(57,482)	(7,345)	311,843
Expenses for income taxes	-	-	-	-	-	(93,073)	-	(93,073)
PERIOD NET RESULT	260,620	10,427	98,005	59	7,559	(150,555)	(7,345)	218,770

Amounts in Euro thousands		For the year ended 31 December 2024						
EQUITY DATA BY BUSINESS SECTOR	Hydro	Distribution	Sales	Other RES	Energy efficiency	Corporate	Eliminations	Total
Investments	18,597	26,370	(106)	214,018	5,303	7,642	-	271,824
Tangible assets	291,168	137,925	314	557,246	4,490	46,231	(6,131)	1,031,244
Intangible assets	176,746	13,024	-	85,667	6,784	1,880	258,422	542,523
Trade receivables	35,299	9,653	170,529	38,199	23,007	12,475	(60,826)	228,336
Trade payables	45,713	10,310	116,603	28,281	21,101	15,306	(63,758)	173,557

Amounts in Euro thousands		For the year ended 31 December 2023						
ECONOMIC DATA BY BUSINESS SECTOR	Hydro	Distribution	Sales	Other RES	Energy efficiency	Corporate	Eliminations	Total
Revenues	276,246	34,246	1,491,606	70,602	115,596	4,081	(334,618)	1,657,759
Personnel cost	(15,922)	(8,193)	(4,339)	(2,200)	(2,064)	(16,966)	3	(49,681)
Other operating costs	(88,415)	(10,221)	(1,431,214)	(16,500)	(94,012)	(15,343)	336,992	(1,318,714)
Gross Operating Margin (EBITDA)	171,909	15,832	56,052	51,902	19,520	(28,228)	2,377	289,365
% of revenues	62.2%	46.2%	3.8%	73.5%	16.9%	-691.7%	-0.7%	17.5%
Amortisation, depreciation, provisions and write-downs	(26,023)	(10,356)	1,419	(39,617)	(622)	(3,159)	508	(77,851)
Operating Result (EBIT)	145,886	5,477	57,471	12,285	18,898	(31,387)	2,884	211,514
% of revenues	52.8%	16.0%	3.9%	17.4%	16.3%	-769.1%	-0.9%	12.8%
Result from non-recurring transactions	(34,261)	-	2,322	(1,449)	-	248	-	(33,139)
Adjusted Operating Result (Adjusted EBIT)	180,148	5,477	55,149	13,733	18,898	(31,636)	2,884	244,653
% of revenues	65.2%	16.0%	3.7%	19.5%	16.3%	-775.2%	-	14.8%
Financial balance	-	-	-	-	-	7,436	-	7,436
PRE-TAX RESULT	145,886	5,477	57,471	12,285	18,898	(23,951)	2,884	218,950
Expenses for income taxes	-	-	-	-	-	(59,635)	-	(59,635)
PERIOD NET RESULT	145,886	5,477	57,471	12,285	18,898	(83,586)	2,884	159,315

Amounts in Euro thousands		For the year ended 31 December 2024						
EQUITY DATA BY BUSINESS SECTOR	Hydro	Distribution	Sales	Other RES	Energy efficiency	Corporate	Eliminations	Total
Investments	19,492	20,328	12	538,903	39,515	7,678	-	625,929
Tangible assets	299,766	122,503	519	482,953	2,204	38,303	(3,301)	942,947
Intangible assets	174,480	13,431	-	61,746	1,032	1,804	189,742	442,236
Trade receivables	40,728	7,804	184,297	5,565	146,066	4,027	(57,525)	330,961
Trade payables	45,622	9,337	111,031	13,947	55,248	6,660	(60,603)	181,242

Hydro Business Unit

Description of the reference market

Hydroelectric is a renewable energy source that uses the natural flow of water to generate electricity and is a significant source of energy in both Italy and Europe. In our country, hydroelectric has historically been one of the main sources of energy, thanks to the abundance of water resources, while in Europe, countries such as Norway, Sweden and Switzerland are historically known for their significant production.

Hydroelectric is considered an important pillar in the transition to a more sustainable energy system, as it is a low-carbon source and can contribute to the reduction of dependence on fossil fuels.

Performance of the reference sector

In 2024, Italy's hydroelectric sector experienced a positive trend, with production rising compared to 2023. This is particularly due to the abundant rainfall, which has led to a greater influx of water into the reservoirs and consequently to increased electricity production.

More specifically, hydroelectric production in 2024 exceeded 52 TWh, with an increase of 30.4% over the previous year. This figure underlines the significant role of hydroelectric power in the Italian energy mix, especially in a context of increasing focus on renewable sources.

Likewise, the European landscape has demonstrated a favourable trend, experiencing substantial growth compared to 2023 and significantly boosting the share of renewables in Europe's energy mix.

The **Hydro Business Unit** of the CVA Group refers to the activity of electricity generation from hydroelectric sources, and to the relative sale of the same to wholesalers/traders. The CVA Group has 32 hydroelectric plants in the Valle d'Aosta area with a total nominal power of 934.5 MW. These plants produced 3,220 GWh in 2024, a 23% increase over 2023. The companies of the Group operating in the production sector of hydroelectric energy are the Parent Company and the subsidiary VALDIGNE.

Revenues

Revenues in 2024 amounted to Euro 365,449 thousand, up 32% from Euro 276,246 thousand in 2023. This increase is mainly attributable to the change in sales revenue of energy produced by the Group's hydroelectric plants, following a significant +23% increase in quantities produced, as well as the increase in sales prices, which affected the positive change in the item. There was also an important increase in the value recognised in relation to the sale of energy titles.

Gross Operating Margin (EBITDA)

The Gross Operating Margin shows a significant increase from Euro 171,909 thousand in 2023 to Euro 288,078 thousand in 2024 (+78.8% of Revenues).

The significant positive change in Revenues described above has generated a direct impact on the value of this index, even though this is partly absorbed by the increase in costs related to fees for the derivation of water for hydroelectric use (Euro 47,383 thousand for the financial year 2024, an increase of 6% compared to 2023) due for the derivation of water, based on the reference legislation and according to the rates resolved by the competent authorities, to the Valle d'Aosta Region and other public entities such as the municipalities of Valle d'Aosta and the Province of Turin.

Labour costs show a 7% year-on-year increase due to both an increase in the number of dedicated resources and salary adjustments.

Operating Result (EBIT)

Operating income for the year 2024 amounted to Euro 260,620 thousand (71.3% of Revenues), a marked improvement compared to the same indicator of the previous year, which amounted to Euro 145,886 thousand, and is in direct correlation with the upward trend in Revenues and EBITDA described above. The value absorbed depreciation, amortisation, provisions and write-downs of Euro 27,458 thousand, an increase of 6% compared to Euro 26,023 thousand in 2023. The increase in this item is mainly attributable to the value of incremental depreciation related to the assets of the Parent Company's hydroelectric plants, included in this Business Unit, which entered into operation in 2024, and which are discussed in this report in the dedicated section.

Adjusted Operating Result

Adjusted Operating Income amounted to Euro 260,410 thousand (71.3% of Revenue) and showed a variance of Euro 209 thousand due to the recognition of a contingent asset arising from the IMU reimbursement received from the Municipality of La Thuile through the company Valdigne Energie included in this Business Unit.

Investments

Investments related to the Hydro Business Unit show a decrease of 5% between the two years, decreasing from Euro 19,492 thousand in 2023 to Euro 18,597 thousand in 2024; despite the decrease, the activity of modernising the Business Unit's own plants and machinery continued. Major investments during the year included work on the Hone 2, Aymavilles and the renovation of the Chavonne plant.

Distribution Business Unit

The "**Distribution**" Business Unit of the CVA Group refers to the activity of electricity distribution to end users, as well as to the management of the network itself. DEVAL is the Group company that deals with the distribution in the territory of the Region, by virtue of the concession of the distribution and metering service assigned by the Ministry of Productive Activities, free of charge, expiring on 31 December 2030. In 2024, DEVAL distributed 898 GWh for consumption for the current year, serving an average of 130,285 delivery points.

Revenues

The trend in revenues year on year shows an increase (+27%). This increase is due to the increase in tariff revenues linked to the adjustment of unit tariffs, as well as the equalisation mechanisms, evaluated based on the estimated final reference tariff for 2024, which will be defined and published by ARERA

Gross Operating Margin (EBITDA)

EBITDA shows an increase of 37% (equivalent to Euro 21,768 thousand) due to a positive trend in revenues, though offset by a 29% rise in operating costs, primarily because of higher expenses in transport and energy procurement, while personnel costs remained largely unchanged.

Operating Result (EBIT)

The operating result for the financial year 2024 shows an improvement of Euro 4,950 thousand as a direct consequence of the increase in EBITDA.

Adjusted Operating Result

The Adjusted Operating Result coincides with the Operating Margin, as there are no non-recurring items in the items related to the business unit's activities.

Investments

Investments relating to the Distribution Business Unit in 2024 show an increase of Euro 6,042 thousand compared with 2023 (29.7%). The increase is chiefly the result of investments in high voltage for transformer replacement tasks concerning the NRRP, and in low voltage predominantly linked to the PMS2 maximum meter replacement initiative.

Sales Business Unit

The "Sales" Business Unit of the CVA Group contains Energy Management and Market activities. Energy Management activity refers to operations on energy and financial markets in order to procure electricity and related network services and to optimise its energy portfolio.

The term Market represents the sales activity to end users that takes place both in the free market (divided into the Retail and Business segments) and in the Greater Protection market. In the first, the sale of energy takes place according to conditions agreed freely between the parties. In the second case, the economic and contractual conditions of supply are established by ARERA. Energy Management and Market activities are overseen in the Group by CVA ENERGIE, which in 2024 supplied end customers with a total of 3,455 GWh of electricity distributed over approximately 108,390 delivery points.

Revenues

The year-on-year revenue trend shows a decrease of 18% to Euro 1,225,180 thousand in 2024 from Euro 1,491,606 thousand in 2023.

This trend is the result of the decrease in revenues from wholesale activities (-30%) due to the reduction in sales prices, as well as the decrease in revenues from retail activities to end customers (-22%) due to the decline in prices. There was also a significant decrease in income from commodities trading activities, which included the margin generated by trading in commodities trading portfolios and amounted to Euro 14,901 thousand in 2024 compared to Euro 16,696 thousand at 31 December 2023, as a result of the commodities market operations.

On the other hand, the increase in the item related to the sale of Energy Titles, which recorded a significant year-on-year increase (+132%), is worth noting.

Gross Operating Margin (EBITDA)

EBITDA amounted to Euro 97,200 thousand (+7.9 % of revenues), up from Euro 56,052 thousand in 2023 as a direct result of operating expenses decreasing more than proportionally compared to the decrease in revenues between the two years. Also contributing to absorbing part of the EBITDA is the increase in labour costs, mostly due to an increase in average remuneration mainly related to an increase in contractual minimums and to a lesser extent to an increase in the average number of resources.

Operating Result (EBIT)

The operating result stands at Euro 98,005 thousand (8% of revenues), up from Euro 57,471 thousand in 2023, after having benefited from the positive contribution of depreciation, amortisation, provisions, and write-downs.

The depreciation item shows a modest decrease compared to the previous year, due to the natural depreciation of the company's fixed assets over time, similar to provisions and write-downs, which show the same trend as the comparison year, albeit with a lesser impact in terms of value. In the 2024 financial year, the impact is predominantly due to the reversal of both the provision for risks (Euro 586.5 thousand, categorised as non-recurring items) established to cover the value of excise duties assessed in a report by the Milan Tax Police in 2014 at the onset of the litigation with the Customs Agency, having expired after a ten-year period, and the release of the bad debts provision (Euro 447.5 thousand) based on assessments of trade receivables as of 31 December 2024.

Adjusted Operating Result

The operating result adjusted for non-recurring items amounted to Euro 97,546 thousand (+8% of revenues) and was affected by adjustments related to the reversal to income and release of provisions set aside in previous years for the dispute with the Customs Agency as described above.

Investments

The value of investments for the year shows a negative value of Euro 106 thousand.

Other RES Business Unit

Description of the reference market

Photovoltaics is a branch of the energy industry that deals with the production of electricity through the use of photovoltaic solar panels. These devices directly convert sunlight into electrical energy using the so-called "photovoltaic effect". Solar energy is considered a renewable and sustainable source because its generation process does not involve the emission of greenhouse gases or other air pollutants.

The wind power sector, on the other hand, is concerned with the production of electricity through the use of wind turbines. These turbines harness the power of the wind to generate mechanical energy, which is then converted into electrical energy via generators. Wind energy is also considered a renewable source since it is derived from the natural resource of wind, which is abundant and non-depletable globally. The wind energy sector comprises the design, production, installation and maintenance of wind turbines, which can be located in various contexts, such as onshore or offshore wind farms.

Both sectors, photovoltaics and wind power, are essential in the transition to a more sustainable, low-carbon energy system. Their continued growth is key to reducing dependence on fossil fuels and mitigating the effects of climate change.

Performance of the reference sectors

In 2024, Italy experienced substantial growth in electricity production from photovoltaic and wind power sources, with photovoltaics in particular setting a historic production record. On the other hand, wind power showed a slight decrease, although overall production from renewables increased.

In Europe, the production of electricity from renewable energy sources, especially wind and solar, has reached record levels, surpassing fossil fuels for the first time. Photovoltaics and wind energy together constituted 30% of the EU's total electricity output, with wind energy providing 17.4% and photovoltaics supplying the remainder.

This trend has also been boosted by falling technology costs, which have made solar and wind energy increasingly competitive with traditional energy sources. However, despite the growth, both sectors face significant challenges, including strong competition. The emergence of large multinational companies, together with local companies and new entrants, has increased competition in the renewable energy market. Furthermore, the stability of energy policies, both at national and European level, has become crucial to ensure a favourable environment for investment and continued growth in the sector.

In the financial year 2024, the "Other RES" Business Unit of the CVA Group, following several corporate transactions during the year, supervises the entire renewable energy value chain through the activities of development, construction, and operation of wind and photovoltaic energy production plants.

The growth in generation from solar and wind power responds to the strategy of diversification of industrial risks and mitigation of climate change risks pursued by the CVA Group during the financial year 2024 with a series of important M&A transactions, continuing the expansion process already started in 2023, for a detailed explanation of which please refer to the relevant section of this report. In 2024, additional RES companies joined the Business Unit alongside CVA EOS, SR Investimenti S.r.l., RENERGETICA S.p.A., and various corporate entities owning wind and photovoltaic plant development projects that were established in 2023 and expanded in 2024, including SUNNERG GROUP S.r.l., from which a 60% controlling interest was acquired. This group specialises in the design and construction of turnkey projects within the B2B renewable energy sector across the Italian, British, and Romanian markets.

Revenues

The year-on-year revenue trend showed an increase of 84% to Euro 130,130 thousand compared to Euro 70,602 thousand in the previous year. This increase is mainly attributable to the contribution of the new companies, mentioned above, which became part of the Business Unit during the financial year under review.

Gross Operating Margin (EBITDA)

EBITDA is equal to Euro 47,515 thousand, a decrease of 8% compared to the value of Euro 51,902 thousand expressed in 2023, mainly due to the lower production from wind power that characterised the 2024 financial year.

The decrease in this indicator, despite the increase in revenue described above, internalises the variation in the scope between the two financial years, which resulted in an increase in operating costs.

Labour cost varies in absolute value by Euro 4,284 thousand, primarily due to the integration of operating structures from newly acquired companies during the year and, to a lesser extent, the enhancement of existing structures from previous years. This enhancement occurred through the introduction of long-term incentive plans and standard contractual adjustments.

Other operating costs increased between the two periods by Euro 59,631 thousand due to both the inclusion of the companies in operation within the Business Unit and the contribution of the corporate vehicles holding development projects.

Operating Result (EBIT)

The Operating Result, after absorbing depreciation, amortisation and provisions of Euro 47,456 thousand, amounted to Euro 59 thousand, a sharp decrease compared to the value expressed in 2023 of Euro 12,285 thousand.

The decline in the indicator between the two years is primarily attributed to the incremental costs of depreciation linked to additional amortisations from investments made. Secondly, the increase in provisions and write-downs contributed to this decline, following an appropriate credit risk assessment policy and the write-down of projects deemed inappropriate for execution.

Adjusted Operating Result

The Adjusted Operating Result is Euro 59 thousand, with no non-recurring items reported for the year.

Investments

Investments decreased significantly between the two years to Euro 214,018 thousand in 2024 (Euro 538,903 thousand in 2023). In detail, the contraction mainly concerns investments in tangible assets as well as financial assets.

Energy Efficiency Business Unit

The "**Energy Efficiency**" Business Unit of the CVA Group launched in 2021 by the Parent Company CVA S.p.A., encompasses within it all energy efficiency support activities operated through structural interventions on civil and instrumental buildings as well as industrial efficiency projects. The 2023 financial year saw a strong expansion of the Business Unit against the backdrop of the Group's growth in the sector, through the establishment of a new company CVA Smart Energy, set up at the beginning of 2023 in order to develop an innovative "platform" business model, in partnership with specialised companies, acquired during the year, to strengthen its positioning in this field and propose an integrated offer to the market by means of a flexible platform of services.

As of this year, in addition to the activities historically carried out by the Parent Company related to the Superbonus sites, the Business Unit's scope also includes the companies Renewable Technical Solutions S.r.l., Nuova Energia S.r.l. and RS Service S.r.l., for a detailed explanation of the acquisition process of which please refer to the relevant section of this report.

Revenues

The year-on-year revenue trend shows a significant decrease from Euro 115,596 thousand in 2023 to Euro 54,765 thousand at 31 December 2024. Such a trend is mainly attributed to the natural contraction of the activities, historically carried out by the Parent Company, related to the Superbonus-related sites, which were almost entirely completed within the deadlines imposed by the specific regulations, resulting in a significant decrease in revenues from contracted customers, which, between the two financial years, amounted to approximately Euro 61 million.

Gross Operating Margin (EBITDA)

EBITDA saw a reduction of Euro 11,679 thousand, dropping from Euro 19,520 thousand in 2023 to Euro 7,841 thousand in 2024, accounting for 14.3% of revenues. This decrease was attributed to the low profit margins of activities developed by the new companies that joined the Group and were included in this business segment, and especially to the minimal margins from Superbonus construction projects completed in 2024. In fact, it should be noted that, in accordance with as indicated in the sections dedicated to the "Summary of the main accounting standards adopted in preparing the Financial Statements" and the use of "Significant accounting estimates", the achievement of the final Work progress status allowed for the recognition of the margins of orders that in previous years, in the absence of a certain right to invoicing due to the lack of customer approval on the Progress Status, had been recognised up to the amount of external costs incurred, without recording, therefore, margins that were recognised in this year.

Operating Result (EBIT)

The Operating Result amounted to Euro 7,559 thousand (+13.8% of Revenues), a strong decrease compared to the comparative year, due to the reasons explained with reference to the Gross Operating Margin.

This absorbed the value of depreciation, amortisation, provisions and write-downs in the amount of Euro 281 thousand represented, mainly, by depreciation referred to durable goods necessary for the activities carried out by the companies acquired during the year.

Adjusted Operating Result

The Adjusted Operating Result coincides with the Operating Margin, as there are no non-recurring items in the items related to the business unit's activities.

Investments

Investments decreased in absolute value by Euro 34,212 thousand to Euro 5,303 from Euro 39,515 thousand in 2023.

Last year, the value was mainly due to the change represented by the increase in equity investments following the acquisitions made in 2023 to strengthen its position in the sector. Investments in tangible and intangible assets also grew significantly against the investments made by the Acquired Companies.

Corporate Business Unit

The "**Corporate**" Business Unit contains all the administrative, accounting, financial, strategic and coordination support activities, whose costs are not re-debited to the individual Business Units.

Revenues

The revenues of the business unit increased slightly year-on-year to Euro 3,138 million.

Gross Operating Margin (EBITDA)

EBITDA was negative at Euro 39,342 thousand, an increase from the previous year, primarily due to the higher costs related to resources dedicated to support activities. These costs were driven by the integration of newly acquired companies into the Group and an expansion of the staff framework. Other operating costs also increased due to the same reasons, as well as a more precise allocation of values according to Business Unit criteria.

Operating Result (EBIT)

In 2024, the Operating Margin amounted to Euro 43,485 thousand, worsening compared to the previous year, also affected by the increase in the items Amortisation, Provisions, and Write-downs, which amounted to Euro 4,143 thousand (Euro 3,159 thousand in 2023)

Adjusted Operating Result

The Adjusted Operating Result coincides with the Operating Margin, as there are no non-recurring items in the items related to the business unit's activities.

Investments

Investments of the Corporate Business Unit amounting to Euro 7,642 thousand remained at the previous year's level of Euro 7,678 thousand and mainly related to investments in tangible assets.

Inside information

The risk management model

The CVA Group has developed an integrated corporate risk management model that is inspired by the international principles of Enterprise Risk Management (ERM), in particular the Committee of Sponsoring Organisations (COSO) framework, the main purpose of which is to adopt a systematic approach to the identification of the company's priority risks in order to assess their potential negative effects in advance and take appropriate action to mitigate them. ERM is constantly evolving and improving: over the last three years, the framework has been periodically updated, particularly by considering not only short- to medium-term risk events but also those impacting industrial and strategic targets in the long term, as well as ESG issues and climate change. In 2024, the process of harmonisation with the requirements of the Corporate Sustainability Reporting Directive (CSRD) began, with particular attention to the reporting of climate-related risks and opportunities, which are already being examined in depth according to the international guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). *For more on climate risk analysis, please refer to E1-IRO-1 in the Consolidated Sustainability Report "[IRO-1] Description of the processes for identifying and assessing relevant climate-related impacts, risks and opportunities" on page 116.*

The Corporate Risk Model encompasses the different types of risk characterising the business in which the Group operates, namely:

- risks relating to the external environment, depending on market conditions and the competitive environment within which the Group operates, as well as changes in the political, legal and regulatory environment;
- operational risks, related to the company's internal processes, structures and management systems, particularly with regard to electricity generation and the marketing of commodities and services;
- strategic risks, relating to the definition and implementation of the Company's strategic guidelines.

Within the ERM framework, the Risk Assessment (RA) process allows the Group's residual risk profile to be defined which, together with the risk mitigation strategies, is brought to the attention of the Board of Directors. Periodically, with the coordination of the Risk Management Function, the managers of the various company areas (risk owners) and the experts (subject matter experts) identify and evaluate the risks within their competence through a Risk Self Assessment process, providing an initial indication on the mitigation associated with them. The results of the process are then consolidated centrally in a map, in which risks are prioritised according to the resulting scoring and aggregated to facilitate the coordination of mitigation plans with a view to integrated risk management. The results of the ERM are used by the General Management as information elements for the preparation of updates to the strategic plan.

Corporate bodies: governance and the internal control system

The governance model of CVA S.p.A.

The Company's Corporate Governance is articulated according to the traditional model, a model that is widely used and able to provide a stable and regulated framework for the management of business activities, protecting the interests of shareholders, creditors and other stakeholders. This model assigns management responsibility to the Board of Directors, supervisory functions to the Board of Statutory Auditors and auditing functions to the auditing company.

Decision-making processes and organisational structures

In compliance with the regulations in force, the Company has implemented a series of measures and procedures to ensure efficient and legally compliant management. Among these measures, decision-making processes and organisational structures play a major role, ensuring that business decisions are made in a structured, transparent and accountable manner.

Decision-making processes

The decision-making processes adopted by our organisation are characterised by a well-defined structure, with a clear articulation of the decision-making phases, from the gathering of information to the evaluation of alternatives and the final choice. Such a structure minimises the risk of arbitrary decisions and ensures greater consistency with the company's strategic objectives.

Organisational Structures

To ensure effective and compliant management, the Company has adopted a detailed organisation chart and function chart, which clearly outline responsibilities and competencies within the organisation.

In particular, the company organisation chart is structured to reflect a clear separation of functions and responsibilities, facilitating communication and coordination between the various departments. Each position is clearly defined in terms of tasks, authority and hierarchical relationships. The function chart, on the other hand, describes in detail the operational and decision-making processes, specifying the procedures to be followed for each business activity. This tool is essential to ensure the consistency of business operations with strategic policies and objectives.

Main Fulfillments Adopted

Among the main fulfillments adopted by the Company in order to comply with the requirements of the Law are:

- **Compliance and Internal Control:** Implementation of a compliance and internal control system that constantly monitors adherence to regulations and promptly identifies any critical issues.
- **Ongoing Training:** Ongoing training programmes for staff, aimed at ensuring that they are constantly updated on current regulations and best management practices.
- **Internal and External Audits:** Periodic internal and external audits to verify compliance of company operations and to identify areas for improvement.
- **Transparency and Communication:** Adoption of clear and timely transparency and communication policies towards all stakeholders, ensuring that relevant information is easily accessible and understandable.
- These measures not only ensure compliance with applicable regulations, but also contribute to an efficient, transparent and continuous improvement-oriented working environment.

Organisational and management model

Legislative decree No. 231 of 8 June 2001, entitled "Discipline of the administrative responsibility of legal entities, companies and associations also without legal personality, in accordance with Article 11 of Italian Law No. 300 of 29 September 2000", introduced into the Italian legal system a regime of administrative responsibility for companies for some types of offences (by way of example and not exhaustively, offences against the public administration, corporate offences, offences concerning health and safety in the workplace, environmental offences, etc.) committed by persons who perform functions of representation, administration or management of the entity, as well as by persons subject to the management or supervision of the latter, in the interest or advantage of the companies themselves.

In implementation of the provisions of Article 6 of the aforementioned legislative decree no. 231/2001, the administrative bodies of the parent company CVA S.p.A. a.s.u. and of the subsidiaries - direct and indirect - CVA Energie S.r.l., Deval S.p.A., CVA EOS S.r.l., Valdigne Energie S.r.l., Rennergetica S.p.A. and SR Investimenti S.r.l. resolved to approve their own "Organisation, Management and Control Model".

Moreover, during the year, construction sites were opened to start preparatory activities for the development of the aforementioned Organisational Models for the directly and indirectly controlled companies that are still without them. With reference to the so-called special purpose vehicles (also "SPVs"), it should be noted that many of these companies have approved their own Organisation, Management and Control Model, while the remainder are in the process of implementing the same.

The purpose of this model is the preparation of a structured and organic system of procedures and of control activities, aimed at preventing the commission of the different types of crime envisaged in Legislative Decree No. 231/2001. Likewise, the aforementioned Companies appointed a Supervisory Body with a three-year mandate.

The Bodies - with independent powers of initiative and control - monitor the functioning and observance of the Model, regularly reporting their work in the periodic Reports submitted to the attention of the administrative bodies, within which it was also highlighted what emerged from the significant information flows received from the various corporate structures concerned. From the same point of view, the Supervisory Bodies have been responsible for monitoring the regulatory updates, as well as the structural changes that have affected the companies of the CVA Group, so as to constantly assess the adequacy and compliance of the corporate organisational models - and if necessary - remind the governing bodies of the appropriate updates to said models.

Finally, in verifying the current relevance of the control standards already implemented for the activities deemed sensitive pursuant to the aforementioned Decree, the Bodies conducted periodic audits to assess their effectiveness and suitability, suggesting any necessary adjustments to the existing procedural system and/or recommending the implementation of new specific company procedures. They also supported the Group companies with the training and informing of all company personnel.

For the sake of completeness, it must be pointed out that during 2024, several extraordinary transactions were also concluded that expanded the scope of the CVA Group, with the acquisition of controlling and non-controlling stakes in various companies. With reference to these legal entities, CVA S.p.A. took the lead in initiating the in-depth investigations aimed at their full compliance with the dictates of Legislative Decree 231/2001.

Code of Ethics and Conduct

The awareness of the ethical, moral, social, and environmental aspects that accompany the activities carried out by the companies of the CVA Group—together with the consideration of the importance of both a cooperative approach with stakeholders and the good reputation of the group itself—inspires the drafting and maintenance of the Code of Ethics and Conduct of the CVA Group.

This document is unique to all the companies of the CVA Group, which ratify its entry into force with an appropriate resolution of their respective administrative bodies. The Code of Ethics and Conduct is binding, as expressive of the commitments and ethical responsibilities in the conduct of business and company activities undertaken by all those operating for and on behalf of the Group.

Anti-bribery and transparency regulations

Law No. 190 of 6 November 2012 and Legislative Decree No. 33 of 14 March 2013 introduced significant obligations regarding the prevention of corruption, publicity and transparency on the part of public administrations and the companies controlled by them or in which they have an interest. These provisions are implemented in the context of the CVA Group, with reference only to Valdigne Energie S.r.l., placing various obligations on the latter: in particular, it is required to prepare supplementary corruption prevention measures with respect to those adopted pursuant to Legislative Decree 231/2001, of publicity and transparency, as well as the periodic publication of a series of company data and information in the "Transparent Company" section specially created on the institutional website of the Parent Company.

Given the willingness to comply with the aforementioned requirements, Valdigne Energie S.r.l. appointed a person responsible for the prevention of corruption and transparency, in compliance with the provisions of ANAC Determination no. 1134/2017 "New guidelines for the implementation of legislation on the prevention of corruption and transparency by companies and private law entities controlled and owned by public administrations and public economic entities", which came into force on 5 December 2017, the date of publication in the Official Journal.

Valdigne Energie S.r.l. consolidated the integration of the anti-corruption and transparency measures within its Model 231 and, in the course of 2024, the entire system was supervised, cyclically verified and - if necessary - perfected; furthermore, the "Transparent Company" section on the institutional website of the Parent Company was constantly populated and monitored, within which the publications made pursuant to Legislative Decree 33/2013.

Personal Data Protection

On 4 May 2016, Regulation 2016/679 (GDPR) of 27 April 2016 on the protection of individuals with regard to the processing of personal data was published in the Official Gazette of the European Union and subsequently came into force on 25 May 2018. With Legislative Decree No. 101/2018, in force since 19 September 2018, Italy has adapted its national legislation to the provisions of the GDPR, adapting and updating Legislative Decree No. 196/2003 (Privacy Code).

In order to make data protection even more secure and effective, the GDPR has appointed the Data Protection Officer (DPO); a professional with particular expertise in the fields of information technology, law, risk assessment and process analysis, whose main responsibility is to support the Controller in the management of the processing of personal data in accordance with European and national privacy laws. CVA S.p.A. a s.u. and its direct subsidiaries with employees, as Data Controllers, have appointed a DPO and several Privacy Officers. The main tasks of the DPO - with the collaboration of the Privacy Reference Persons - are: i) advise on the GDPR and other provisions on personal data protection; ii) continuously monitor compliance with the GDPR and other provisions on personal data protection, through appropriate structuring of regular on-site and remote monitoring activities; iii) provide training for personnel on personal data protection; iv) give prior opinions on the Privacy impact assessment, for example on the introduction of new processing of personal data; v) cooperate, where necessary, with the control authorities; vi) act as a point of contact for the control authority on matters relating to processing, including prior consultation, and provide consultations, where appropriate, on any other matter.

With reference to the aforementioned extraordinary operations that have affected the CVA Group and its affiliated companies, also in relation to the issue of privacy, the parent company CVA has become the common denominator, in order to consolidate the compliance of its subsidiaries and/or investees with the principles of the regulations concerning the protection of personal data.

Human Resources and Safety

Human Resources of CVA Group

During the year 2024, the corporate scope of the CVA Group increased due to the acquisition of the Sunnerg Group S.r.l. and Solary Italy X S.r.l. The workforce of the companies that became part of the CVA Group was as follows:

- Sunnerg Group S.r.l. acquired on 27 May 2024 - 47 resources, of which 28 are based in Italy, 14 in Romania and 5 in the UK (10 managers, 29 clerks and 8 workers);
- Solar Italy X S.r.l. - acquired on 01 August 2024 - 5 resources (1 manager and 4 clerks).

In 2024, the average staff of the CVA Group was 905 people (717 people in 2023). As of 31 December 2024, the CVA Group was comprised of 952 employees (840 employees as of 31 December 2023), including 15 executives, 80 managers, 558 clerks, and 299 workers.

At the level of individual Group companies, at 31 December 2024, the number of employees was as follows:

- 466 at CVA (449 as of 31/12/2023) of which 8 executives, 44 managers, 286 clerks and 128 workers;
- 66 at CVA ENERGIE (64 as at 31/12/2023) of which 7 managers and 59 clerks;
- 16 at CVA EOS (15 as at 31/12/2023) of which 1 executive, 2 managers and 13 clerks;
- 148 at DEVAL (144 as of 31/12/2023) of which 1 executive, 8 managers, 86 clerks and 53 workers;
- 61 at Nuova Energia S.r.l. (56 as of 31/12/2023) of which 16 clerks and 45 workers;
- 24 at Renergetica S.p.A. (20 as of 31/12/2023) of which 2 executives and 22 employees;
- 91 at R.S. Service S.r.l. (80 as of 31/12/2023) of which 1 executive, 2 managers, 24 clerks, and 64 workers;
- 5 at R.T.S. S.r.l. (3 as of 31/12/2023) of which 3 clerks and 2 workers;
- 4 at Solar Italy X S.r.l. of which 1 manager and 3 clerks;
- 12 at SR Investimenti S.r.l. (9 as of 31/12/2023) of which 2 executives, 5 managers, and 5 clerks;
- 59 at Sunnerg Group S.r.l. and its subsidiaries, of which 11 managers, 41 clerks and 7 workers;

The relations with the 15 executives (8 CVA S.p.A., 1 CVA EOS S.r.l., 1 Deval S.p.A., 2 Renergetica S.p.A., 1 R.S. Service S.r.l. and 2 SR Investimenti S.r.l.) are governed by the National Collective Labour Agreement for executives of companies producing goods and services for CVA S.p.A., CVA EOS S.r.l., Deval S.p.A., R.S. Service S.r.l. and SR Investimenti S.r.l. and by the National Collective Labour Agreement for executives of companies in the tertiary sector, distribution and services for Renergetica S.p.A., while for the rest of the employees relations are regulated:

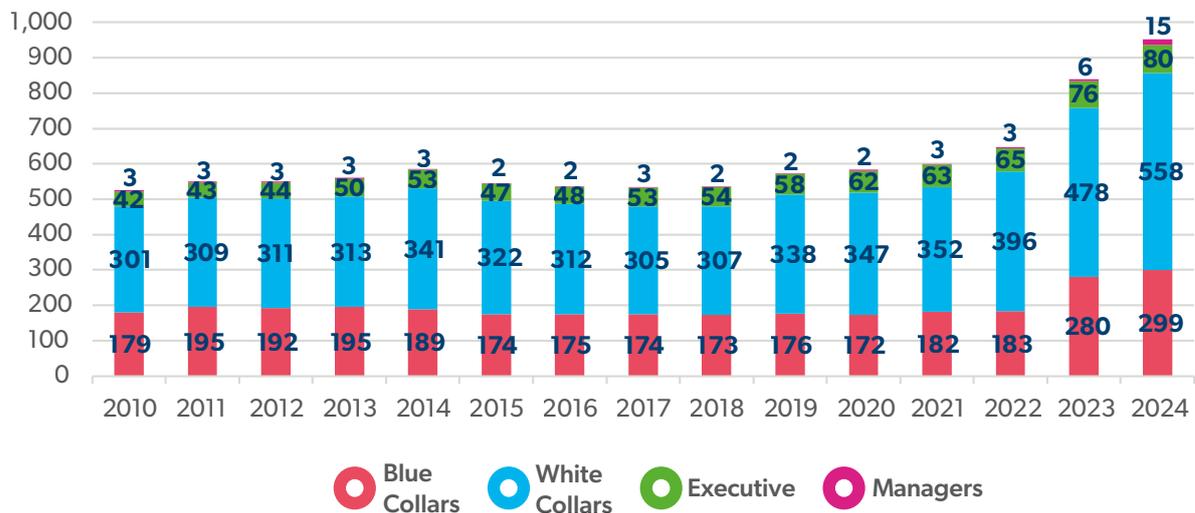
- for CVA S.p.A., CVA Energie S.r.l., CVA EOS S.r.l. and Deval S.p.A. by the National Collective Labour Agreement for workers in the electrical sector;
- for Nuova Energia S.r.l. by the National Collective Labour Agreement for the metalworking industry as well as a small portion of employees by the National Collective Labour Agreement for the construction industry;
- for Renergetica S.p.A., Solar Italy X S.r.l. and SR Investimenti S.r.l. by the National Collective Labour Agreement for tertiary and service distribution companies;
- for R.S. by the National Collective Labour Agreement for the metalworking industry as well as a small portion of employees by the National Collective Labour Agreement for the construction industry;
- for R.T.S. S.r.l. by the National Collective Labour Contract for small and medium-sized metalworking companies;
- for Sunnerg Group S.r.l., based in Italy (39), by the National Collective Labour Agreement for the metalworking industry. Employees based in Romania (15) and the United Kingdom (5) are not regulated by National Collective Labour Agreements as they are specific to the Italian labour system.

Below is a breakdown of the changes in the number of CVA Group employees between 31 December 2023 and 31 December 2024:

	Balance at 31 December 2023	Acquisitions-Constitutions of new companies	Hires	Terminations	Incoming category changes	Outgoing category changes	Balance at 31 December 2024
Executives	6	-	2	(1)	8	-	15
Managers	76	11	2	(4)	3	(8)	80
Clerks	478	33	66	(19)	3	(3)	558
Workers	280	8	43	(29)	-	(3)	299
Total	840	52	113	(53)	14	(14)	952

Between 2023 and 2024, there was a change in the average workforce of 188 employees, while the actual increase was 112 units, resulting in a shift from 840 employees on 31 December 2023 to 952 employees on 31 December 2024. The increase of 112 employees in 2024 can be attributed to the 52 employees who became part of the CVA Group through company acquisitions, as well as the difference between 113 new hires and 53 terminations. The breakdown by professional category (executives, managers, clerks, workers) and the evolution compared to previous years is shown below:

CVA GROUP Personnel Data



In 2023, hours worked totalled 1,152,352 hours (1,115,485 ordinary and 36,867 overtime) corresponding to 1,614 hours (1,557 ordinary and 57 overtime) average worked by each employee in force at CVA Group. In 2024, hours worked totalled 1,479,836 hours (1,432,307 ordinary and 47,529 overtime) corresponding to 1,640 hours (1,582 ordinary and 58 overtime) average worked by each employee in force at CVA Group. See "ESRS S1" of the Consolidated Sustainability Report for more on the Own Workforce.

The parent company CVA

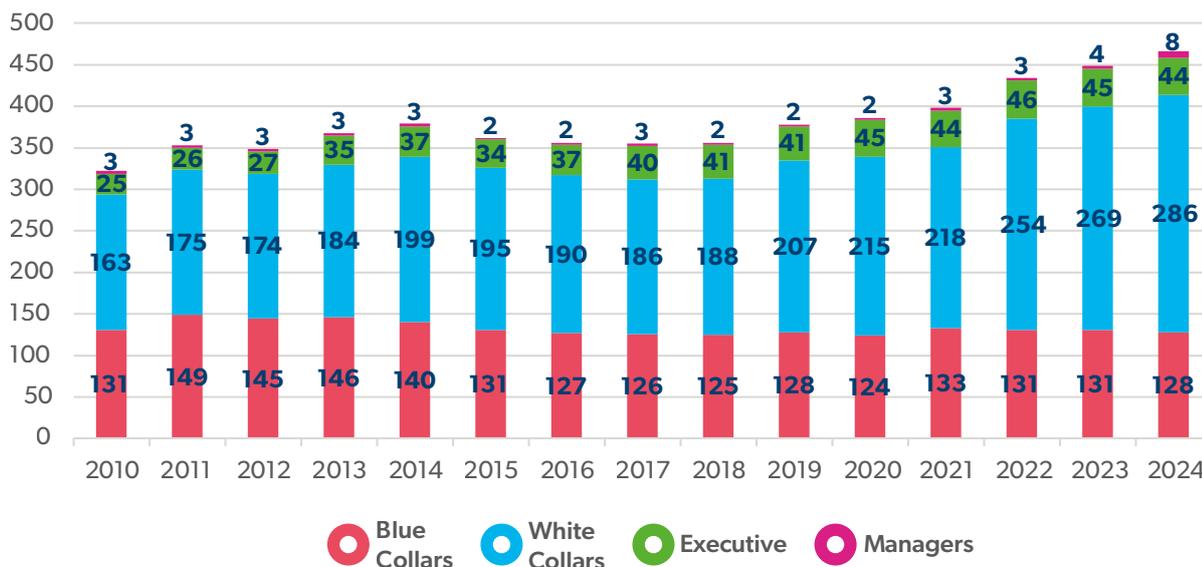
During 2024, the average number of CVA personnel was 458 people (439 people in 2023). As of 31 December 2024, the workforce of CVA was 466 people (449 people as of 31 December 2023). Below is a breakdown of the changes occurred in the number of CVA employees between 31 December 2023 and 31 December 2024:

	Balance at 31 December 2023	Acquisitions-Constitutions of new companies	Hires	Terminations	Incoming category changes	Outgoing category changes	Balance at 31 December 2024
Executives	4	-	-	-	4	-	8
Managers	45	-	(1)	1	3	(4)	44
Clerks	269	21	(3)	1	1	(3)	286
Workers	131	1	(3)	-	-	(1)	128
Total	449	22	(7)	2	8	(8)	466

In 2024, there were 22 hires, 4 positive contract terminations by the Group, 2 negative contract terminations to the Group and 7 work terminations. Between 2023 and 2024, there was a change in the average workforce of 19 employees, while the actual increase was of 17 units, resulting in a shift from 449 employees at 31 December 2023 to 466 employees at 31 December 2024, of whom 8 have a managerial qualification and are governed by the National Collective Labour Contract of executives of companies producing goods and services and 458 (as follows: 44 managers, 286 employees and 128 blue collars) are regulated by the National Collective Labour Contract for workers in the electricity sector.

The breakdown by professional category (executives, managers, clerks, workers) and the evolution compared to previous years is shown below:

CVA Personnel Data



In 2023, hours worked totalled 695,812 hours (674,185 ordinary and 21,627 overtime) corresponding to 1,592 hours (1,537 ordinary and 55 overtime) average worked by each employee in force at CVA. In 2024, hours worked totalled 744,255 hours (721,215 ordinary and 23,040 overtime) corresponding to 1,631 hours (1,574 ordinary and 57 overtime) average worked by each employee in force at CVA.

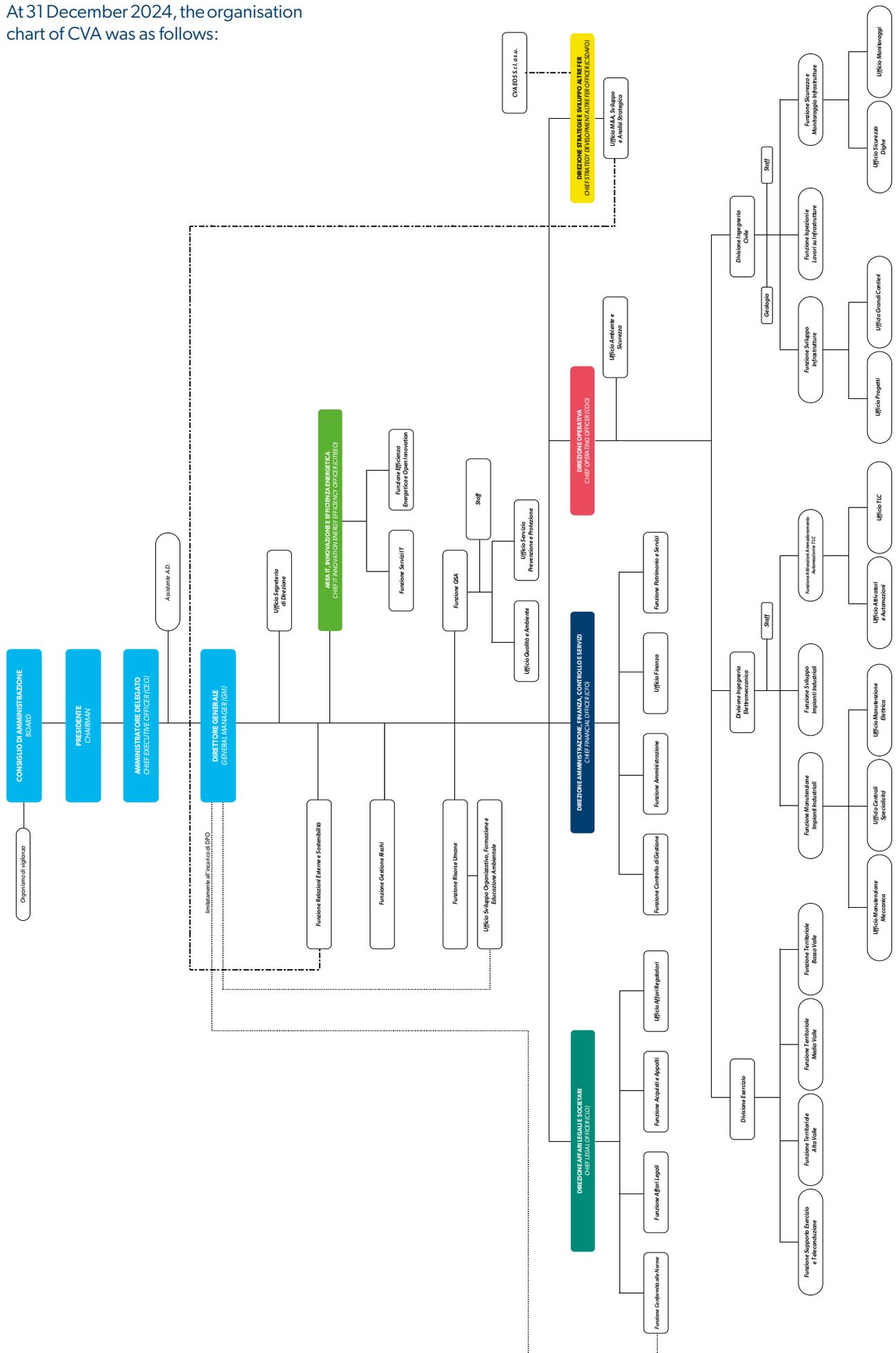
Throughout 2024, aside from the usual induction training given to newly hired staff, courses were also offered to employees focusing on safety, environmental issues, and the development of professional knowledge and skills.

The total training hours carried out amounted to 14,776.31, with a gender breakdown of 11,411.76 hours for Men and 3,364.55 hours for Women. The average hours of training per employee as of 31 December 2024 is around 32 hours (Men 33 and Women 29).

Organisation Chart

In 2024, the reorganisation process continued in order to align the organisational prerequisites effective to achieve implementation of the Group's Strategic Plan 2023-2027 defined by the Company and its constant review to the changing context in which it operates.

At 31 December 2024, the organisation chart of CVA was as follows:



Safety, Accidents and Occupational Illnesses

In 2024, the periodic safety management activities continued, as in previous years, including the organisation of health and safety training, workplace and company process inspections and audits, coordination meetings, drafting of DUVRI (documents on risk assessment from interference), legal checks (lifts, stairlifts, cranes, hoists, mobile platforms, davits, pressure vessels, safety valves, etc.), reporting of equipment to INAIL (the National Institute for Insurance against Accidents at Work), and the maintenance of fire prevention certificates in the company. With a view to continuous improvement, the CVA Group works daily and constantly with the involvement of all personnel to pursue the goal of "0 injuries".

For further details regarding the number of accidents, please refer to the dedicated section of the Consolidated Sustainability Report - "[S1-14] Health and safety metrics" on page 149.

Description of the main risks and uncertainties pursuant to Article 2428 of the Civil Code

As anticipated in the previous paragraphs, the CVA Group has developed an integrated corporate risk management model that is inspired by the international principles of Enterprise Risk Management (ERM), in particular the Committee of Sponsoring Organisations (COSO) framework, the main purpose of which is to adopt a systematic approach to the identification of the company's priority risks in order to assess their potential negative effects in advance and take appropriate action to mitigate them.

The Corporate Risk Model includes the various types of risks inherent in the business in which the Group operates; highlighted below are the main risks and uncertainties in accordance with Article 2428 of the Civil Code

Financial risks

Risks related to changes in commodity prices

The Group is exposed to market risks on electricity prices for all generation plants for which market sales are planned, for the volumes of electricity delivered to end customers and, to a lesser extent, as concerns the short-term purchase and sale of futures and physical energy. This risk is identified as the possibility that changes in market prices will produce changes in economic performance that could jeopardise the achievement of the Group's objectives set by the strategic plan. The year 2024, with regard to the trend of the Single National Price (PUN), ends by confirming a downward trend compared to the previous year. Nevertheless, a high degree of volatility remains, also due to an international and geopolitical context full of uncertainties and critical issues.

Management and control activities monitor the risk in terms of Economic Capital, combined in terms of both variability (VaR) and maximum Mark to Market Loss, and the use of derivative financial instruments commonly used in the market in order to limit exposure to price risk. The strategic policy of the CVA Group is also aimed at limiting exposure to market volatility, while operations are directed towards the goal of harmonising energy purchase and sale price structures by signing, wherever possible, supply contracts structured in such a manner so as to reduce exposure to the risk of energy price fluctuations.

At 31 December 2024, the Group holds financial and physical derivative contracts aimed at hedging the risk of fluctuations in the price of electricity generated by the purchase and sale portfolio; in addition, it holds in its portfolio some physical and financial positions on the price of energy traded for purely short-term brokerage and/or arbitrage purposes.

As in previous financial periods, the Group has deemed it necessary to address the risk of volatility in the amount for the allocation of transport capacity, supplementing the regulations on economic dispatching conditions, which refer to the differential between zonal prices and the single national price, by participating through CVA Energie S.r.l., a single-member company, in the 2025 CCC annual auction and in the monthly auctions in 2024

Credit risk

Credit risk represents the exposure of the Company to potential losses arising from the non-fulfilment of the obligations assumed by the counterparty. This risk can arise from factors that are more strictly technical-commercial or administrative-legal (disputes over the nature/quantity of the supply, the interpretation of contractual clauses, etc.) and from factors that are typically financial or, the credit standing of the counterparty.

Exposure to credit risk is mainly linked to the correct assessment and monitoring of the customer, who will then be supplied with electricity. In order to control this risk, the Company, with reference to customers in the Free Market, uses tools for assessing the "Business" and "Small Business" customer at the time of its supply request, for the subsequent monitoring of the expected flows and for the implementation of any recovery actions. With regard to credit risk relating to other customers in the Free Market operating in the customer segment defined as "domestic" and in the Greater Protection Market, the Company, even though it cannot implement actions aimed at the preliminary assessment of the customer, will continue to maintain the already consolidated control standards. In addition, in order to further mitigate the risk linked to the possible insolvency of customers supplied on the Free Market, a contract was also stipulated for the insurance of receivables deriving from supplies to Business and Small Business customers. The ARERA's outgoing C-MOR (Indemnity System) process is in the implementation phase, which will allow for the recovery of a portion of the outstanding credits and further decrease credit risk.

Liquidity risk

Liquidity risk represents the possibility that the company's financial resources may be insufficient to meet its financial and commercial obligations pursuant to the contractual terms and conditions set. The risk management policy, also in view of the Group's significant cash generation, has always involved maintaining sufficient liquidity, readily marketable securities and quickly liquidating investments. This management policy has over time been reshaped and adjusted to the changing market conditions. Today, the Group, taking into account the potential effects of moments of high volatility in energy markets, pursues a policy aimed at making liquidity risk reasonably remote, through the constant availability of irrevocable credit lines, which allow reasonably foreseeable future financial commitments to be met, with the minimum objective of providing the Group with the necessary financial resources at all times. The Group monitors risk by seeking to maintain a balance between continuity in the availability of funds and flexibility in utilisation.

Interest rate risk

Interest rate risk is the risk of higher financing costs due to an unfavourable change in interest rates.

The Group is exposed to market risk arising from changes in interest rates exclusively with reference to rates in the Eurozone, as all of the Group's debt is denominated in Euros. The Group has adopted a balancing strategy between fixed and variable rate debt following which fixed rate gross financial debt, including the effect of hedging derivatives, is predominant at the end of 2024.

The Group manages its exposure to interest rate risk on a dynamic basis, resorting to simulations of prospective needs and cash flows, and, where deemed necessary, identifying hedging policies, even in advance of financing expectations.

The important investment plan anticipates an increase in financial requirements compared to the past. The Company continuously monitors its financial resource requirements to ensure it meets commitments, capitalises on the most favourable market opportunities, and implements the most appropriate strategies to minimise interest rate and related liquidity risks.

Exchange rate risk

The Group's operations in currencies other than the Euro are significantly limited, so there is no risk resulting from exchange rate fluctuations.

Commercial Risks

Market competitiveness risk

Energy markets within which the Group operates experienced fragile stability even during 2024 in a context governed by uncontrollable global forces. The Italian electricity market exhibited erratic and difficult-to-predict intra-annual dynamics, correlated with international tensions, high levels of hydroelectric production, increased installed renewable capacity, and demand. In the near future, market volatility is anticipated to be driven by the evolution of geopolitical tensions, the initiatives of the new Trump administration in the US, China's slowdown, and the monetary policy of central banks.

The Group operates, through the subsidiary CVA Energie, in the energy sales sector, which is characterised, particularly in the "business" segment, by high levels of competition, determined by the presence of a vast number of operators, including international ones, who propose increasingly competitive offers. Despite the exposure to risks related to the competitiveness of the retail market remaining significant, the success of the commercial offering in the business and retail markets significantly benefits from the renewable nature of the energy produced, the recognised solidity and reliability, and the positive brand reputation of the CVA Group. In 2024, as part of its commercial strategy, the Group launched a new offering for its customers in the Aosta Valley, both in the business and retail segments, which, due to its features, enabled high customer retention.

Counterparty risk

Counterparty risk is linked to the possibility that a counterparty may not fulfil its contractual obligations of payment or delivery/withdrawal of commodities, goods and services in the agreed time and manner. The methodology adopted by the CVA Group for the management of counterparty risk is characterised by a prudential approach and is aimed at the conscious assumption of this risk. Specifically, the counterparty risk management process includes the following phases:

- prevention: this includes all precautionary activities aimed at assessing the creditworthiness of a potential counterparty, establishing the associated operational limits and consequently identifying the strategy to be adopted for the (possible) conclusion of the contract;
- monitoring: this includes all activities carried out in order to measure and monitor the evolution of exposure to counterparty risk through the assessment of concentration risk with reference to the defined risk limits, and to promptly identify any changes in the creditworthiness of counterparties. These activities are carried out both for individual counterparties and at Group level;
- response: this includes corrective action taken if risk limits are exceeded or if the creditworthiness of the counterparty deteriorates. These actions aim to minimise losses and maximise coverage of the credit exposure associated with the counterparty.

Regulatory and fiscal risks

The sector in which the Group operates is highly regulated, and in this context, regulatory interventions, including those from local entities or regulators by the ARERA authority, expose the Group to the risk of having its investment realisation limited or postponed over time, in relation to obtaining authorisations or concessions. The CVA Group, with reference to such potential risks, operates continuous monitoring and constructive dialogue with institutions aimed at seeking moments of dialogue and timely evaluation of regulatory changes that have occurred, working to minimise the economic impact resulting from them.

The Group constantly monitors the development of tax regulations from which additional tax disputes may arise that may result in tax risks against which the payment of additional taxes, penalties or interest cannot be ruled out. In addition to what has been described above in relation to risk management and mitigation activities, the Group, in the presence of current obligations resulting from past events, which may be of a legal or contractual nature or arise from statements or conduct of the company such so as to induce in third parties a valid expectation that the company itself will be responsible or assume responsibility for fulfilling an obligation, has made appropriate allocations over the years in special provisions for risks and charges present among the liabilities in the financial statements and described in detail below in this report in the Notes to the Financial Statements items.

Risks of Litigation

This risk pertains to the hypothesis that one of the companies within the CVA Group, or its employees, could become embroiled in civil, administrative, tax, or legal proceedings or actions deriving from potential violations of laws or regulations, contractual or extra-contractual liability, or other disputes, such as employment litigations, potentially causing damages, sanctions, or reputational harm to the Group. The risk also refers to the possibility that a Group company might contest an action or decision detrimental to its interests, issued by institutions, administrative bodies, or independent authorities.

CVA and the CVA Group implement a risk mitigation strategy that provides for:

- The monitoring, delegated to specific corporate functions, of the relevant regulations (legal, fiscal, etc.);
- The management of litigation by high-standing external firms, experts in specific subjects;
- Continuous monitoring of ongoing legal proceedings and evaluation of the probability of an unfavourable outcome; for risks deemed 'probable', an estimate of the potential financial impact is calculated by considering all possible consequences, and a provision is then made in the balance sheet;
- The preparation and sending of periodic internal reports on the updating of disputes, also through 231 flows to the Supervisory Bodies.

In relation to extraordinary transactions to mitigate the risk of disputes, we engage high-calibre external consultants to conduct specific Due Diligence assessments, such as legal and tax. If considered necessary, we request specific guarantees from the counterparty in the contractual agreements governing the transaction and/or obtain Warranty and Indemnity insurance coverage from prominent insurance companies.

Events occurring after the end of the financial year and business outlook

In 2025, your Company and the Group it controls will continue to focus on achieving the industrial goals set in the Strategic Plan, committing to strengthening the Group's position in the renewable energy, energy distribution, and energy efficiency markets.

The year 2025 presents a pivotal opportunity for the CVA Group to consolidate its leadership in the renewable energy sector. To achieve this result, particular attention will be given to reaching the new installed capacity objectives set out in the Strategic Plan through the construction of wind and photovoltaic energy plants. Regarding the distribution activity, the DEVAL company, tasked with this activity, will pay the utmost attention to pursuing the objective of a 20-year extension of the concession expiring in 2030, preparing an investment plan for the networks that aim to ensure service continuity and modernisation of the distribution infrastructure.

In 2025, the significant renovation works for the Hone II hydroelectric plant will commence, and it is hoped that the authorisation process for the Chavonne plant will be concluded. Not only that, 2025 is expected to see the consolidation of a regulatory framework for the procedures for granting concessions for large hydroelectric derivations, a phase of clear significance for CVA, for which the company has been preparing on both technical-design and economic levels. In particular, it is highlighted how the economic-financial strengthening resulting from the Group's development over the last three years has consolidated both the ability to successfully participate in any competitive procedures and the broader sustainability of an investment plan that is necessary and correlated with the reallocation of the concessions themselves, in whatever manner they may take place. In 2025, the NRRP H2WAY2ZERO project is set to be launched in the "ex-Tecdis" area of Chatillon, alongside a significant industrial development project. This venture could play a crucial role in shaping the region's industrial and innovation strategies.

In this context, the expected trajectory of operations for the 2025 financial year relies on factors that are still difficult to interpret today, but overall, these allow us to anticipate results for the current year comparable to those of 2024, albeit without any significant growth dynamics:

- electricity prices are settling into a slightly bearish dynamic, especially with regard to intraday dynamics, with an impact on the capture price achievable by photovoltaic plants. In this regard, it is highlighted that the Group

has diligently employed mechanisms to minimise these risks as much as possible, ranging from hedging through futures to PPAs, and participation in the so-called. Energy Release to the progressive introduction of BESS systems, in the different conceivable business models for these);

- o the winter of 2024-2025 resulted in good hydraulicity in the area covered by hydroelectric plants, close to the 10-year average, although lower than that achieved in the 2024 financial year. On the other hand, it is still difficult to make forecasts for wind power production;
- o with regard to industrial development on the "Other RES" BU, permitting dynamics, slowed down by some regulatory innovations introduced in 2024, could see an acceleration following some recent court rulings. In addition, the construction of already authorised plants continues apace, thanks also to the vertical integration of EPC activities implemented by Sunnerg s.r.l. In this context, the geopolitical dynamics must also be considered, which define a scenario of great uncertainty not only regarding the levels and volatility of energy prices, but also concerning the timing and costs of equipment procurement for use in plant construction; finally, it should be noted how the political controversies related to the Group's strategies and outcomes, which grew during 2024 and became even more acute in the first half of 2025, have begun to have potentially deleterious effects on the reputational level in relations with stakeholders, not only local but also national, since they create uncertainty about the future trajectory of the Strategic Plan currently being implemented. Customers, suppliers, rating agencies, and the Group's lenders are increasingly referencing these controversies in their interactions with the managers and officials of CVA and its subsidiaries, reaffirming that their overall confidence in the current arrangements and the trajectory of the Group remains unchanged. However, they imply that the presence of such strong political controversies within the organs of the Company's indirect shareholder could lead to questions for the future.

Other information

Deferral of the terms for approval of the financial statements

The Company decided to avail itself of the longer term provided for by Article 2364 of the Civil Code and the Articles of Association for the approval of the Financial Statements of CVA S.p.A.: this was done in consideration of the complexities related to the need to consolidate the new perimeter of the Group that had grown following the extraordinary transactions implemented in the last two years, which entailed an extension of the time required to prepare these Financial Statements.

Secondary offices

In addition to its registered office in Châtillon (AO), Via Stazione 31, CVA exercises its activities at the following locations:

- Antey-St-Andre' (AO) - Covalou, snc area.
- Aosta (AO) - Signayes , snc area.
- Aosta (AO) - Via Clavalité, 8.
- Avise (AO) – Avise, Loc. Barraccon, snc.
- Aymavilles (AO)– Strada Comunale di Aymavilles, snc.
- Aymavilles (AO) - Strada Vic. Di Saillod, snc.
- Bard (AO) - San Giovanni, snc area.
- Bard (AO) - San Giovanni, snc area.
- Bionaz (AO)– Place Moulin, snc area.
- Brusson (AO) – Brusson, via Col di Joux, snc.
- Challand-St-Victor (AO) - Centrale Isollaz, snc area.
- Champdepraz (AO) - Fabbrica, snc area.
- Châtillon (AO) - Breil area, snc.
- Châtillon (AO) – Via Stazione, 30.
- Châtillon (AO) – Via Stazione, 32.
- Cogne (AO) - Lillaz 47 area.
- Gaby (AO) - Zuino, snc area.
- Gressoney-La-Trinitè (AO) - Edelboden area, snc.
- Gressoney-La-Trinitè (AO) - Gabiet, snc area.
- Gressoney-St-Jean (AO) - Sendren, snc area.
- Hône (AO) - Centrale, snc area.
- Hône (AO) - Raffort, snc area.
- Issime (AO) - Grand Praz, snc area.
- Montjovet (AO) - Le Bourg, snc area.
- Nus (AO) - Strada Statale 26, snc.
- Nus (AO) - Strada Statale 26, snc.
- Pontey (AO)– Saint Clair, snc area.
- Pont-Saint-Martin (AO) - Via Breda, 2.
- Pont-Saint-Martin (AO) - Via Resistenza, 4.
- Quincinetto (TO) - Strada dei Chiappeti, snc.
- Valgrisenche (AO) - Beauregard, snc area.
- Valpelline (AO) - Prailles, snc area.
- Valtournenche (AO) - Perreres, snc area.
- Valtournenche (AO) - Cignana, snc area.
- Valtournenche (AO) - Goillet, snc area.
- Valtournenche (AO) - Maen, snc area.
- Verres (AO) - Via Degli Artifici, snc.
- Villeneuve (AO) - Champagne, snc area.
- Villeneuve (AO) - Champagne, snc area.
- Villeneuve (AO) - Chavonne, snc area.

Management and coordination activities

Pursuant to Art. 2497 and following of the Civil Code, it is noted that CVA is assigned tasks of strategic guidelines, management and coordination with regard to its subsidiaries which, at 31 December 2024, are represented by:

- CVA ENERGIE S.r.l.;
- CVA EOS S.r.l.;
- DEVAL S.p.A.;
- VALDIGNE ENERGIE S.r.l.;
- SR INVESTIMENTI S.r.l.;
- CVA SMART ENERGY S.r.l.;
- AGREEN ENERGY S.r.l.

The sole shareholder of CVA is FINAOSTA S.p.A. a s.u. (hereinafter "FINAOSTA"), which holds 100% of the share capital under special management regime on behalf of the Region; the FINAOSTA capital is 100% owned by the Valle d'Aosta Autonomous Region. The Board of Directors of CVA has constantly and periodically evaluated the issue of being subject to management and coordination activities with reference to both the shareholder FINAOSTA and RAVDA. The Company is not subject to management and coordination by FINAOSTA or RAVDA.

Transactions with related parties

For related party transactions, please refer to the appropriate descriptive sections of the Notes to the Consolidated and Annual Financial Statements.

CONSOLIDATED SUSTAINABILITY REPORTING



ESRS 2 – GENERAL DISCLOSURES

[BP-1] General criteria for drafting the sustainability statement

The CVA Group is controlled by its parent company, Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A. - wholly-owned by the regional finance company Finaosta S.p.A., which in turn is controlled by the Autonomous Region of Aosta Valley. The Group operates through subsidiaries and associated companies, active across the entire value chain of the energy sector. Each company acts according to its own mission and specific objectives, respecting the shared values of sustainability, innovation, safety.

This Sustainability Statement refers to fiscal year 2024 (01.01.2024 - 31.12.2024) and was drawn up on a consolidated basis: the scope of consolidation is the same as the financial statements and concerns information and data of Compagnia Valdostana Delle Acque (CVA S.p.A.), CVA Energie S.r.l., Deval S.r.l., Valdigne Energie S.r.l., CVA Eos S.r.l., CVA Smart Energy S.r.l.¹, Sr Investimenti S.r.l., Renegergetica S.r.l., Solar Italy X S.r.l. and Sunnerg Group S.r.l. The document covers impacts, risks and opportunities (IRO) along the entire CVA value chain, including upstream and downstream activities.

The details relating to CapEx and OpEx associated with specific actions listed in the chapters (net of E1, which are comparable to the CapEx and OpEx values reported in the EU Taxonomy, and S3), as well as the current financial effects related to the identified risks and opportunities, have been omitted as they are considered not economically significant.

[BP-2] Disclosure in relation to specific circumstances

Definition of time horizons

In accordance with ESRS 1, par. 6.4, the short term corresponds to the period adopted as a reference in their financial statements (1.1.2024-31.12.2024), while the medium and long term refer to up to five years from the end of the short term and beyond five years, respectively.

Estimates regarding the value chain

For the calculation of Scope 3 emissions, primary data from upstream and downstream actors in the value chain were not used, but estimates were made using the most appropriate emission factors. *For more details, please refer to E1-6 page 125.*

Energy consumption (*E1-5 page 123*) relating to SR Investimenti was calculated on the basis of available historical consumption data, while for Sunnerg a monthly estimate was made only for the months within the reporting scope on the basis of total annual consumption.

To determine water consumption (*E3-4 page 131*), the conversion coefficient known as the Kennet factor was applied, which allows us to estimate the volume of water used based on the activity carried out (e.g. surface area, personnel, type of system).

Overall, no causes of uncertainty in the estimates and results were reported.

¹ Which includes Renewable Technical Solutions Srl, Nuova Energia Srl, and R.S. Service Srl

Drafting changes and reporting errors in previous periods

As FY24 is the first year in which CVA prepares its Sustainability Statement in accordance with the European Sustainability Reporting Standards (ESRS), the data and information presented refer to that fiscal year only. Accordingly, no comparative values, changes or revisions of any errors in previous periods are included in this document.

Information required by other regulations

This document integrates the information on environmentally sustainable economic activities (European Taxonomy for Sustainable Finance), pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council.

Incorporation by reference

Please refer to the ESRS Table of Contents under "IRO-2 Disclosure requirements of ESRS subject of the corporate sustainability statement" [page 94](#) for a list of reporting requirements and specific data incorporated by reference.

[GOV-1] Role of administrative, management and supervisory bodies

Composition and diversity of the members of the company's administrative, management and supervisory bodies

The CVA Group's governance model assigns management responsibility to the Board of Directors, supervisory functions to the Board of Statutory Auditors and auditing functions to the auditing company. The highest administrative, management and control body of the company is the Board of Directors (BoD) of CVA S.p.A..

Composition of the Board of Directors	Role	Executive	Independence	Gender	Age
Marco Cantamessa	Chair			M	>50
Giuseppe Argirò	Chief Executive Officer	x		M	>50
Valeria Casali	Board Member		x	F	30-50
Grand Blanc Marzia	Board Member		x	F	30-50
Fabio Marra	Board Member		x	M	>50

The Board of Directors of CVA S.p.A. consists of five members, two of whom are women (40%) and three men (60%). Of the members, one has an executive role, namely the CEO, while the other four members are non-executive directors. Furthermore, four of the five members of the Council are independent members (80%). There are no employee or non-employee representatives on the Council.

Experience of the Board of Directors

Decision-making processes and organisational structures play a major role, ensuring that business decisions are made in a structured, transparent and accountable manner. The Board of Directors of CVA S.p.A. is composed of professionals with many years of experience in the energy, legal, economic and administrative sectors, essential to guide the company in a context increasingly oriented towards sustainability and energy transition. The Chairman of the Board of Directors has in-depth academic and managerial knowledge and experience, with a focus on innovation and strategic project management.

The CEO, who has a high economic-management profile, has gained significant experience in the utilities sector, public administration and territorial development, and offers an insight into the regional specificities of Valle d'Aosta, a strategic area for CVA's operations. The counsellors have articulated expertise in law, administration and financial economics, thus ensuring compliance with regulations, accurate financial analysis and strategic planning. This diverse composition of the Board ensures a strong and multidisciplinary leadership in addressing the challenges of the energy sector and in pursuing efficiency and corporate growth objectives. In order to strengthen these competencies, the Board regularly participates in training sessions on sustainability issues and may be supported by external specialised consultants. In addition, all board members participate in congresses, events and conferences related to sustainable development and energy transition, as well as in writing articles and studies on the subject. Their activities include stakeholder engagement and the strategic integration of sustainability into the Integrated Business Plan. The Group's General Management, represented by its Director, has supported the development of sustainability initiatives since 2018, when CVA published its first Sustainability Report on a voluntary basis, demonstrating foresight and strategic vision of sustainability as a competitive lever.

This composition of members allows the Board of Directors to make informed decisions in line with CVA's long-term strategic goals and ESG commitments. Furthermore, the Board of Directors periodically participates in induction sessions dedicated to sustainability issues and, on such occasions, assesses whether the Group has the necessary skills and capabilities to effectively manage and control these issues.

Roles and responsibilities of administrative, management and supervisory bodies

The decision-making processes adopted by CVA are characterised by a well-defined structure, with a clear articulation of stages, from the gathering of information to the evaluation of alternatives and the final choice. Such a structure minimises the risk of arbitrary decisions and ensures greater consistency with the company's strategic objectives. The Group Board's responsibilities for Impacts, Risks and Opportunities (IRO) are fully integrated into corporate decision-making processes through the Group Executive Board, although not formally reflected in the company's mission statement. The Board of Directors exercises a central role in controlling and approving major decisions related to the sustainability strategy, ensuring that the identification, monitoring and management of IROs are aligned with the company's strategic objectives. The operational management and supervision of IROs is integrated into the activities of the different Business Units (BUs), to ensure that management is consistent with corporate guidelines. The corporate functions involved in IRO management processes operate within a framework of defined hierarchical lines, reporting to the Executive Board and the Board of Directors. Furthermore, the Group adopts specific controls and procedures for the management of IROs, integrating them with the activities of internal functions through the Enterprise Risk Management (ERM) prepared by the Risk Management function and approved by the Board of Directors. In this context, the Board of Directors and Senior Management collaborate in defining the objectives related to the IROs, constantly monitoring their progress to ensure consistency with the company's strategic priorities and promote responsible and effective governance. *For more information on the control and management of IROs, please refer to GOV-5 [page 80](#).*

[GOV-2] Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them

The CVA Board of Directors meets for in-depth sessions dedicated to strategic issues relevant to the Group, including the integration of sustainability into the business. These sessions (held at least twice a year), provide the necessary background information and updates on material impacts, risks and opportunities (IROs), as well as the implementation and effectiveness of due diligence processes, policies and initiatives. The frequency of these meetings ensures that the body is informed and able to offer strategic guidance on ESG objectives and actions to be taken, ensuring alignment with the Group's long-term objectives. The Executive Board together with the Board of Directors consider IROs in the supervision of the Group's strategy by integrating them into the decision-making processes and analysis of relevant operations, to ensure a balance between sustainability and economic objectives. The administrative, management and supervisory bodies are informed of the results of the double materiality analysis and receive a presentation of the main identified and relevant impacts, risks and opportunities. *For a list of the IROs addressed in FY2024, please refer to the SBM-3 disclosure [page 90](#).*

[GOV-3] Integration of sustainability performance into incentive systems

The incentive systems and remuneration policies for management personnel do not include a connection with sustainability issues, however there are management guidelines that strengthen management figures for the development objectives of new renewable capacity, part of the Group's Strategic Plan, a development that actively contributes to combating climate change. Overall, the incentive conditions are approved by the Board of Directors through a specific resolution that defines the methodology applied and the objectives assigned.

[GOV-4] Statement on due diligence

Below is a mapping that illustrates how and where the application of the main aspects and steps of the due diligence process are reflected in the sustainability statement.

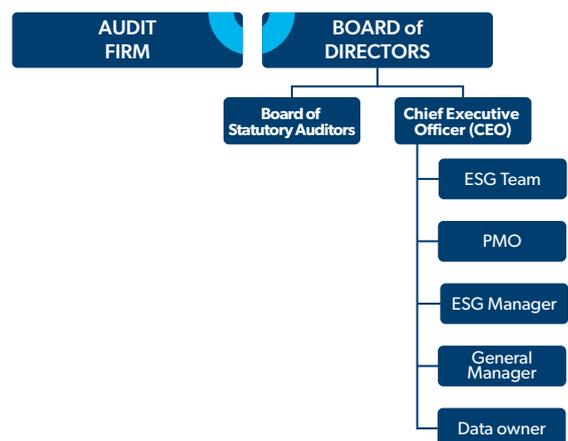
Fundamental elements of duty of care	Paragraphs in the Declaration
(a) Integrating the duty of care into governance, strategy and business model	GOV-2, GOV-3, SBM-3
(b) Involving stakeholders in all key stages of the duty of care	GOV-2, SBM-2, IRO-1, E1-2, E3-1, E4-2, S1-1, S3-1, S4-1, G1-1
(c) Identifying and assessing negative impacts	IRO-1, SBM-3
(d) Taking action to address negative impacts	E1-3, E3-2, E4-3, S1-4, S3-4, S4-4, G1-4
(e) Monitoring the effectiveness of interventions and communicating	E1-4, E1-5, E1-6, E3-3, E3-4, E4-4, E4-5, S1-5, S1-6, S1-7, S1-8, S1-9, S1-10, S1-13, S1-14, S1-15, S1-16, S3-5, S4-5, G1-4, G1-5, G1-6, G1 MDR-T

[GOV-5] Risk management and internal controls on sustainability reporting

The data management process adopted by CVA for sustainability reporting is developed within a structured system of governance, internal control and risk management, ensuring the accuracy, traceability and compliance of data and information reported.

After the approval of the Double Materiality Analysis (DMA), the Sustainability PMO, with the support of the ESG Team, starts the reporting design phase and the collection of qualitative information and quantitative data. The collection and validation process is subject to a risk assessment, and develops in several stages, with clearly defined roles and responsibilities:

Definition of roles and responsibilities - Assignment of responsibilities between data providers, who collect the necessary information and transmit it to data owners and approvers of corporate functions, who ensure the quality and reliability of the data at the source. The Sustainability PMO coordinates the process, ensuring the link between the different actors, while the ESG Manager oversees consistency with the strategy and the relevant regulations.



Management of qualitative and quantitative data– The collection system covers both financial (including those required by Regulation 2020/852 - European Taxonomy) and non-financial (qualitative and quantitative) data. The data flow is structured to ensure consistency between the information provided and the reporting standards (ESRS), reducing the risk of discrepancies or errors. To minimize errors and inconsistencies, CVA has implemented centralized tools and multi-level control processes for data management, processing and validation.

Tools and checks – The collected data that is stored in centralized repositories, with predefined templates and a double control system that guarantees the traceability of changes and the verification of data before their final approval.

The prioritisation of risk areas, based on the extent of risks and the feasibility of corrective actions, is assessed with particular attention to data requiring manual extraction and processing or multiple processing steps.

To mitigate these critical issues, the Group has adopted predefined templates that facilitate automatic aggregation and has introduced procedures for freezing files upon expiration of delivery terms, preventing unauthorized changes. In addition, the PMO Sustainability oversees the collection of documentary evidence to support the qualitative and quantitative disclosures included in sustainability reporting.

An ex-post evaluation of the reporting process is planned to continuously improve it and reduce potential risks. For each reporting activity, an analysis will be carried out with respect to the operational processes and the Group's ability to adequately respond to the requirements of the reference standard.

In particular, an in-depth reflection will be conducted on each material theme, evaluating the possibility of collecting relevant and consistent evidence. Should critical issues or areas for improvement emerge, an update of the governance will be considered.

Data collection and aggregation will be progressively automated through the implementation of a shared platform between all the *data owners* ensuring an even clearer allocation of roles and responsibilities. The platform will allow for greater control over data consistency, while the level of supervision by data *approvers* will be enhanced to ensure further robustness to the process.

The results of the risk assessment are periodically reported to:

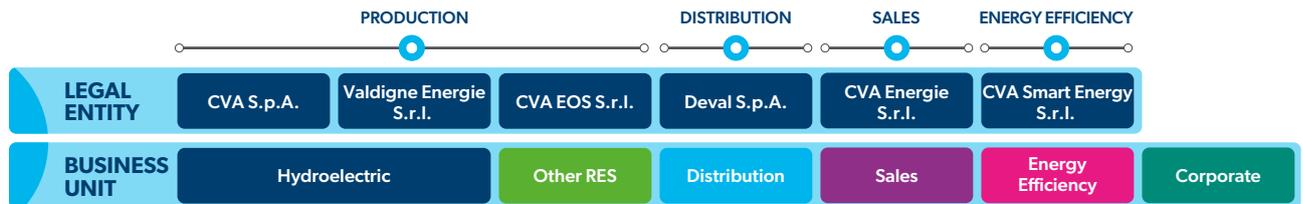
- Board of Directors, which approves the double materiality analysis and the Sustainability Declaration;
- Board of Auditors, which monitors the effectiveness of the internal control system;
- Auditing firm, which verifies compliance with a *limited assurance* approach;
- CEO and DG, who receive updates from the ESG Manager on ESG performance and critical issues.

Sustainability reporting is subject to *limited assurance* by the independent auditing firm.

[SBM-1] Strategy, business model and value chain

Corporate strategy

Founded 25 years ago following the acquisition of Enel's hydroelectric facility in the Valle d'Aosta region and the integration of a number of already owned plants, the Group is one of Italy's leading energy service providers, active across the entire energy chain. The Group's core business lies in the production of 100% renewable electricity. Headquartered in Châtillon, CVA is an important reference point for the economy and decarbonisation roadmap of the Valle d'Aosta region.



2025-2029 Strategic Plan

The strategy and management of sustainability issues related to impacts, risks and opportunities (IRO) is closely integrated into the CVA Group's recently updated Strategic-Industrial Plan with projection to 2029.

The Strategic Plan focuses on the expansion and diversification of renewable generation capacity and provides for the strengthening and further development of the other Business Units, with the target of reaching 1+ GW of installed wind and solar capacity by 2029. The entire Plan is fundamental for the achievement of the country's energy transition objectives with the installation of +720 MW of additional capacity throughout Italy, the strengthening of the distribution network with new hosting capacity, and the nationwide development of the energy efficiency line both in the retail-domestic sector and for business-industrial customers. Overall, the Strategic-Industrial Plan foresees investments of 1.2 billion euros.



Sustainability Objectives of the Strategic Plan

The Strategic-Industrial Plan is integrated with sustainability goals, structured on three fundamental pillars: Positive Impact, Future Proof and Empowering Communities. The first, Positive Impact, focuses on reducing the environmental footprint by adopting strategies aimed at minimising impacts on the environment. Future Proof strengthens the company's resilience, preparing it for future challenges through innovation and adaptability, and finally Empowering Communities promotes the active involvement and growth of local communities. Together, these three pillars embody CVA's commitment to combining business development and sustainability, creating lasting value and making a tangible contribution to the national energy transition and the well-being of communities.

ESRS Theme	Pillar	FY	Target	Material IROs
E1	Positive Impact	2025	Definition of an SBTi-certified Scope 1, 2 and 3 zero emissions strategy	CO ₂ emissions along the value chain Compliance and reputational risks related to non-compliance with the obligations to calculate Scope 3 emissions and Decarbonisation Plan
E1	Positive Impact	Rolling	Maintaining 100% alignment on CapEx and OpEx eligibility of RES plants	Easier access to sustainable finance
E1	Positive Impact	2029	Reaching a total of 2GW of installed power from renewable sources	Positive contribution to the national energy mix
E1	Future proof	2027	Integrating climate risks with Enterprise Risk Management	Risks arising from extreme weather events, chronic climate change and structural variation in climate conditions
E1	Positive Impact	2026	Funding for 13 electric buses	CO ₂ emissions along the value chain
E3	Positive Impact	2024	Optimisation of water resource use with respect to environmental protection and Ecological Run-off	Business continuity risks due to chronic variations in the flow regime and drought events Failure to comply with water release regulations
E4	Positive Impact	2026	Selection and participation in offsetting and reforestation projects nationally and internationally	
E4	Positive Impact	2030	Development roadmap for agrivoltaic plants for 500 MW potential authorized by 2030 and 30 MW of floating photovoltaic	Possible impacts on land consumption related to the construction of RES plants Costs and reputational risks related to land consumption for the construction of RES plants
E4	Positive Impact	2025	Collaboration with research organisations and academia to conduct joint studies/define shared standards on agrivoltaics	
S1	Empowering Communities	2026	At least 20 hours per capita per year of upskilling and reskilling training	Strengthening skills through training programs Difficulty in finding skills and increasing personnel costs
S3	Empowering Communities	2026	Listening and discussion projects with key stakeholders, at least 3 every year	Direct and indirect costs of not involving stakeholders in the development of new plants
S3	Empowering Communities	2026	Increase in the number of students involved in environmental education activities each year	
S3	Empowering Communities	2026	Raising local awareness of STEM pathways, increasing the participation of girls, with the awarding of 5 scholarships worth 5,000 euro	Value generated for local communities, skills development, economic spin-offs, donations, sponsorships and support for local economies
S3	Empowering Communities	2026	Building a partnership with a national environmental agency to activate targeted corporate volunteering initiatives	
S3	Future proof	2026	Continuous monitoring of 100% of the territories and slopes where CVA is present with its facilities	Partial or poor application of Civil Protection Plans in the event of exceptional natural events in areas near dams
S4	Future proof	2026	ISO 27001 and 27701 audits and improvement plans	Reputational risks and costs associated with breaches of Operation Technology systems and attacks on digital plant systems

In the forecast for the development of new renewable capacity, a specific target is dedicated to the realisation of agrovoltaic projects, which by 2030 will be authorised for a potential 500 MW, and 30 MW of floating photovoltaics, ensuring 100% alignment on CapEx and OpEx eligibility of RES plants. Furthermore, to reduce its environmental impact, CVA intends to implement an SBTi-certified Scope 1, 2 and 3 zero emission strategy. On the customer front, CVA addresses industrial, institutional and retail customers by supporting them in the energy transition with clean energy and decarbonisation solutions (*please refer to paragraph "Services offered, markets and customers"*). In terms of geographical areas, the focus is mainly national. As for stakeholders, the company promotes a structured dialogue with local communities, with at least three comparison projects each year, and strengthens its commitment through partnerships with universities and environmental agencies. Commitment to the territory and the environment is also expressed through the monitoring of 100% of the territories where the hydroelectric plants are located.

Services related to energy production confirm the strong alignment with sustainability goals. CVA is active in the production and distribution of renewable energy, a strategic sector for the ecological transition. Investments in hydropower, agrivoltaics, and floating photovoltaics are in line with the objective of expanding RES capacity, while optimising water resources and respecting Ecological Runoff ensure sustainable land management. From a market perspective, CVA operates mainly in Italy, with a strong commitment to energy transition and sustainable management of natural resources. This approach strengthens the company's competitiveness and its ability to respond to sustainability demands from investors and institutions. In terms of significant customer groups, CVA targets industrial and institutional customers, providing clean energy and energy transition services. Furthermore, it actively invests in the training and education of the younger generations, promoting environmental education projects, scholarships for STEM courses and corporate volunteering initiatives. The company also collaborates with research institutions and universities, developing pilot projects and shared standards in the agrivoltaic sector. Sustainability is at the core of CVA's strategy and translates into a business model oriented towards energy transition, technological innovation and social and environmental responsibility. However, the company faces crucial challenges. Security and stability of renewable energy supply is a top priority, considering the variability of sources and climate risks. To ensure continuity and efficiency, CVA is investing in the development of innovative RES plants and the expansion of energy storage capacity. The regulatory and financial environment is constantly evolving, with the introduction of new ESG directives and regulations that require constant monitoring and alignment with European reporting standards. Another significant challenge is the impact of climate change on water availability, which requires a balance between energy production and environmental protection.

Services offered, markets and customers

The business model on the basis of which the CVA Group's activities are organised can be summarised as follows.

Production of energy from hydroelectric sources (HYDRO BU): the CVA Group owns and directly manages one of the most important Italian hydroelectric portfolios, consisting of 6 large dams, 61 intakes, more than 210 km of channels, about 50 km of penstocks and 32 power plants (18 run-of-river type, 9 basin type, 5 reservoir type) with 74 hydroelectric groups. The plant park has an installed capacity of 936.5 MW for a total production in 2024 of 3,220,471 MWh of clean energy. The activity is carried out through the plants owned by the parent company and the company Valdigne Energie.

Energy production from other sources (OTHER RES BU): this is an integrated *business model* that, within the same corporate group, brings together the competences of *origination*, development, *engineering*, *procurement*, *construction* and industrial management of energy production plants from wind and photovoltaic sources. At 31 December 2024, the BU consisted of a total platform of approximately 5 GW, of which 307.9 MW related to operating plants (comprising 9 wind power plants for 197.1 MW of installed capacity and 60 photovoltaic plants for 110.8 MW of installed capacity). The total production of Other RES plants for the year 2024 is 381,081 MWh. Production activity is carried out through the plants owned by the *sub-holding* CVA EOS and those owned by dedicated companies ("SPV"), while *origination*, development, *engineering*, *procurement* and *construction* activities are carried out through the *subsidiaries*.

Distribution (DISTRIBUTION BU): the management of electricity distribution is entrusted to the subsidiary Deval, which is responsible for the supervision of a vast network of high, medium and low voltage power lines, extending over more than 4,100 km and equipped with more than 1,700 transformer stations. Deval operates in the field of electricity distribution and metering under concession, striving to maintain high quality standards in the services it provides and to ensure the resilience of distribution networks through constant remote monitoring of the entire network.

Energy Efficiency (ENERGY EFFICIENCY BU): : this is a 'platform' business model that, within the perimeter of a corporate sub-group headed by the CVA Smart Energy sub-holding, sees activities managed by specific corporate vehicles characterised by different technical skills and markets covered, maximising synergies both between these vehicles and towards the other companies of the CVA Group. In addition to the parent company, this activity is also

carried out by the subsidiaries, which enable an integrated offer to the market by means of a flexible platform of distributed services:

- Renewable Technical Solutions S.r.l. carries out activities in the area of operation and maintenance of co-generation/trigeneration plants, design and installation of trigeneration plants, energy and energy efficiency consulting, and provision of services aimed at achieving savings.
- Nuova Energia S.r.l. is active in the construction, installation, operation and maintenance of plumbing, heating and electrical systems, as well as in the energy upgrading of buildings.
- Rs Service S.r.l. is active in the design, construction and maintenance of electrical and mechanical systems.

Energy Supply and Energy Management (SALES BU): In addition to the production and distribution of electricity, CVA manages the direct sale of energy to end consumers and wholesalers through its subsidiary, CVA Energie. CVA Energie develops customized offers to meet the specific needs of different customer segments, including domestic consumers, condominiums, small VAT numbers and large business customers. Through participation in wholesale energy markets, CVA Energie enhances the dispatching of renewable energy in the national grid through targeted initiatives such as participation in Capacity Market auctions.

For further information on the performance of the BUs, please refer to the section Operating performance by Business Unit “Operating Performance by Business Unit (BU)” on page 53.

Focus on – The services offered and the customers served

Among the services offered in this line of business are Power Purchase Agreements, long-term contracts for industrial customers that, by stipulating a fixed price, provide affordable access to renewable energy, thereby facilitating the energy transition of energy-intensive sectors. Business clients include a steel mill, large-scale retail trade companies and banking institutions interested in investing in the energy transition through the purchase of green energy. Regular participation in the national Capacity Market auctions, on the other hand, allows for the allocation of substantial amounts of Available Capacity in Probability (CDP), which is made available on a long-term basis for the needs of the national grid operator (Terna).

The Capacity Market is a tool designed to facilitate grid balancing in the face of the progressive entry of renewable generation whose availability is intermittent due to the variability of wind and/or solar sources.

The energy efficiency services provided by CVA Smart Energy are also offered to both retail and business customers and range from home efficiency to industrial plant engineering and logistics. The distribution company Deval, an entity regulated by Italian law, provides the distribution service in Valle d’Aosta, guaranteeing territorial proximity through a capillary distribution network specifically adapted to the mountain territory.

The CVA Group’s main customers include companies, public administrations and private consumers, with a strong presence in the Valle d’Aosta region and growing expansion into national markets. The significant markets in which CVA operates are mainly concentrated in the Italian energy sector. The Group’s objective is to consolidate its position in the renewable energy market, expanding the scope of its services and making a concrete contribution to the decarbonisation and sustainable development of the energy system. *For more information, please refer to “S4 - Consumers and end users” on page 91 page 163.*

	Business Customers	Retail Customers	Vulnerable Customers (FORMER Protection Market)
	2024	2024	2024
Energy volumes sold (GWh)	3,232	208	15
POD number	22,443	74,842	11,105
number of customers	1,716	56,763	10,028

Thanks to its ability to innovate and the solidity of its infrastructure, CVA - and its 952 employees - stands as a reliable partner for both local businesses and customers on a larger scale. *For information regarding the geographical distribution of employees, please refer to S1-6 page <?>.*

The value chain

The services offered by CVA generate benefits for customers, investors and other stakeholders. For customers, CVA offers renewable energy with low environmental impact, contributing to the reduction of carbon emissions.

Investors benefit from a resilient and sustainability-oriented business model that ensures long-term stability and growth. For other stakeholders, such as local communities, CVA represents a reliable partner, committed to territorial development and the promotion of a sustainable energy future.

Value Chain		
Upstream	Procurement	<p>The CVA Group relies on an established network of strategic suppliers for the procurement of materials, components and services for its hydroelectric, photovoltaic, wind power and ESCo activities. The parties involved include suppliers of electromechanical equipment, companies specialized in civil works, plant operators and technicians for the installation and maintenance of the systems, as well as producers and distributors of technologies for production from renewable sources.</p> <p>A significant part of the procurement takes place nationally, in particular from suppliers operating in the Valle d'Aosta and Alpine regions, with the aim of strengthening the positive impact on local economies.</p>
Own operations (CVA)	Production	Renewable energy production from hydroelectric (HYDRO BU), photovoltaic and wind power sources (OTHER RES BU)
	Distribution	Electricity Distribution (DISTRIBUTION BU)
	Sales	Electricity Sales (SALES BU)
	Energy efficiency	Energy Efficiency Services (ENERGY EFFICIENCY BU)
Downstream	User energy consumption	<p>The energy produced by the CVA Group mainly supplies the national electricity grid, with a focus on covering the energy needs of households, companies and public bodies. A significant share of energy is also delivered to end customers through direct sales contracts or through the sales channel of CVA Energie, which operates on the retail market.</p> <p>Through the Group's ESCOs, CVA provides tailor-made solutions for energy efficiency improvement and self-generation from renewables, targeting industrial customers, public administrations and third sector entities. As well as generating environmental benefits, these interventions result in an improvement in the energy competitiveness of the areas served.</p>
	Product end-of-life	<p>The Group is involved in the end-of-life phase of installed plants and technologies, in particular through the activities of its subsidiary Smart Energy, which deals with the decommissioning, reuse and proper disposal of components at the end of the cycle.</p> <p>This process takes place in cooperation with authorised operators for the management of industrial and electronic waste, in compliance with the regulations in force. CVA adopts a circularity-oriented approach, enhancing the recovery of materials and promoting the reduction of environmental impact throughout the life cycle of energy assets.</p>

[SBM-2] Stakeholders' interests and opinions

The CVA Group is committed to holding a constant and constructive dialogue with its stakeholders, integrating input gathered through dedicated channels directly into strategic planning. This approach, which involves all company functions, ensures that different perspectives are considered and aligned with the Group's sustainability and growth objectives.

In 2024, the Board maintained an assiduous dialogue with the regional bodies that coincide with the property; the dialogue with the local authorities whose territories are affected by the existence and/or development of plants constitutes a constant activity to calibrate the interventions and fulfill the regulatory requirements that require the involvement of local communities and the stipulation of any mitigation and territorial compensation actions. The External Relations and Sustainability Function, which handles communication at local and national level, interfaces with the main reference bodies in the utility sector (e.g. Elettricità Futura, Utilitalia) and undertakes targeted activities with specific stakeholders such as schools, ski instructors and mountain guides.

The activity of constructing the Dual Materiality saw the involvement of multiple internal stakeholders, such as the Quality, Safety and Environment Function, the Human Resources Function and the Risk Management Function, which in different capacities represent the interests of employees and the risk assessment of all areas of the company; as well as external stakeholders such as trade union representatives, investment funds and credit institutions, ensuring a complete and in-depth assessment of the impacts related to sustainability and stakeholder issues.

CVA's boards of directors and auditors are regularly informed of the opinions and priorities expressed by stakeholders regarding the company's impacts. *For more information, please refer to GOV-2 [page 79](#).*

During 2024, there was no significant stakeholder input on the Group's strategy, already defined through the Strategic-Industrial Plan. However, CVA remains committed to continuous improvement of its ESG performance, responding to the growing expectations of stakeholders and adapting to changes in the external environment.

Stakeholders involved		Involvement by CVA	Purpose of involvement
Management / Corporate Management	<ul style="list-style-type: none"> Participation in Company Boards and Committees 	<ul style="list-style-type: none"> Business Strategy Alignment Strategic Dialogue 	
Employees	<ul style="list-style-type: none"> Training Intranet Corporate Convention Insieme (Together) Sustainability report Financial statements 	<ul style="list-style-type: none"> Economic and financial sustainability Skills enhancement Work/life balance Equal opportunities Occupational health and safety Transparency Public competitions 	
Holding	<ul style="list-style-type: none"> Participation in Company Boards and Committees 	<ul style="list-style-type: none"> Guarantee of a unified approach Guarantee of regulatory compliance 	
Business partners	<ul style="list-style-type: none"> Press releases Website Sustainability report Financial statements 	<ul style="list-style-type: none"> Compliance with contractual commitments Relationship continuity Local investments 	
Suppliers, contractors, partners	<ul style="list-style-type: none"> Supplier area portal on the website Sustainability report Financial statements 	<ul style="list-style-type: none"> Compliance with contractual commitments Relationship continuity Local investments 	
Local communities	<ul style="list-style-type: none"> Support for territorial projects Proximity project development 	<ul style="list-style-type: none"> Support for volunteering, environmental education in schools and social inclusion. 	
End users	<ul style="list-style-type: none"> Customer service and other initiatives for dialogue with consumer Associations Social communication channels Branches on the territory Advertising campaigns Sustainability report 	<ul style="list-style-type: none"> Customer satisfaction Transparency and responsible marketing Privacy and data security Asset security Security of supply 	
Trade Unions	<ul style="list-style-type: none"> Compliance with the law Privacy and data security Economic and financial sustainability 	<ul style="list-style-type: none"> Press releases Dedicated working tables with the company's Human Resources function Website Sustainability report Financial statements 	
Nature (silent stakeholder)	<ul style="list-style-type: none"> Memorandum of Understanding with the Fishing Consortium Participation in round-table working groups to monitor the effects of climate change 	<ul style="list-style-type: none"> Protection of the environment and biodiversity Responsible water use 	

Recipients of Sustainability Statements		Involvement by CVA	Purpose of involvement
Investors and shareholders	<ul style="list-style-type: none"> • Disclosure transparency • Sustainability-linked loan • Issuance of listed bonds 	<ul style="list-style-type: none"> • Compliance with contractual commitments and continuity of relationship • Innovation in financial instruments 	
Public bodies and authorities	<ul style="list-style-type: none"> • CVD'A Project 	<ul style="list-style-type: none"> • CER Development (Residential Energy Communities) 	
Institutions	<ul style="list-style-type: none"> • Participation in working tables and consultations • Adherence to protocols, agreements and public initiatives 	<ul style="list-style-type: none"> • Creation of public-private partnerships • Policy promotion • Access to funding opportunities and incentives 	
Local communities	<ul style="list-style-type: none"> • Support for territorial projects • Proximity project development 	<ul style="list-style-type: none"> • Support for volunteering, environmental education in schools and social inclusion. 	
End users	<ul style="list-style-type: none"> • Customer service and other initiatives for dialogue with consumer Associations • Social communication channels • Branches on the territory • Advertising campaigns • Sustainability report 	<ul style="list-style-type: none"> • Customer satisfaction • Transparency and responsible marketing • Privacy and data security • Asset security • Security of supply 	
Trade Unions	<ul style="list-style-type: none"> • Compliance with the law • Privacy and data security • Economic and financial sustainability 	<ul style="list-style-type: none"> • Press releases • Website • Sustainability report • Financial statements 	
Associations and NGOs	<ul style="list-style-type: none"> • Support for territorial and non-territorial projects 	<ul style="list-style-type: none"> • Volunteer Support • Contribution to initiatives carried out by associations 	
Media	<ul style="list-style-type: none"> • Press releases • Website • Sustainability report • Financial statements 	<ul style="list-style-type: none"> • Economic and financial sustainability • Respect for the rules • Attention to worker health and safety • Environmental protection • Asset integrity • Relations with the local area • Transparency 	

[SBM-3] Relevant impacts, risks and opportunities and their interaction with the strategy and business model

The following table provides a brief description of the CVA impacts, risks and opportunities (IROs) that emerged from the Double Materiality analysis, indicating where in the value chain they are concentrated, and the expected time horizons. At present, no major changes have been made to the Group's core strategy or business model, which continues to follow the path set by the Strategic Plan.

In reporting material IROs, the Group complies with the disclosure requirements set out in the European Sustainability Reporting Standards (ESRS), without resorting to entity-specific disclosures (ESD). Unless otherwise indicated, no metrics within the document have been validated by an external body other than the Auditing Firm.

ESRS themes and sub-themes	IROs	Description	Value chain	Expected time horizon	
ENVIRONMENT	E1 - Climate Change Adaptation Mitigation Energy	Negative impacts	• CO2 emissions along the value chain, from supply to sale	Medium term	
		Positive impacts	<ul style="list-style-type: none"> • Contribution to the national energy mix through renewable energy and diversification of sources (RES) • Improved energy efficiency with Smart Energy, CERs and optimised distribution networks • Benefits for the territory thanks to dams and hydroelectric plants, crucial for climate adaptation and flood management 	Long term	
	E3 - Water Water withdrawal Water discharges	Risks	<ul style="list-style-type: none"> • Risks arising from extreme weather events, chronic climate change and structural variation in climate conditions • Compliance and reputational risks related to non-compliance with the obligations to calculate Scope 3 emissions and Decarbonisation Plan • Stakeholder objections to the authorization of new plants (NIMBY effect) 	Own operations	Short, medium and long term
		Opportunities	<ul style="list-style-type: none"> • Revenue growth driven by growing demand for energy efficiency solutions • Easier access to sustainable finance to support installed renewable power targets 	Own operations	Medium term
	E4 - Biodiversity and Ecosystems Factors with direct impact on biodiversity loss	Risks	<ul style="list-style-type: none"> • Business continuity risks due to chronic variations in the flow regime and drought events • Failure to comply with water release regulations 	Own operations	Short and medium term
		Negative impacts	<ul style="list-style-type: none"> • Impacts on land consumption related to the construction of photovoltaic plants 	Own operations	Long term
		Risks	<ul style="list-style-type: none"> • Costs and reputational risks related to land consumption for the construction of photovoltaic plants 	Own and downstream operations	Short and long term

ESRS themes and sub-themes		IROs	Description	Value chain	Expected time horizon
SOCIAL	S1 - Own workforce Working conditions Equal treatment and opportunities for all	Negative impacts	<ul style="list-style-type: none"> Potential negative impacts on health and safety due to possible injuries 	Own operations	Short term
		Positive impacts	<ul style="list-style-type: none"> Economic security guaranteed by open-ended contracts Flexible hours, smart working and solutions that promote work-life balance Salaries improved by CCNL and second-level bargaining with trade unions Technical roundtables with trade unions to increase worker satisfaction Corporate benefits aimed at well-being and retention Professional growth with upskilling and reskilling programs 	Own operations	Short and long term
		Risks	<ul style="list-style-type: none"> Occupational risks from possible business interruptions due to failure to renew production and distribution concessions Difficulty in finding critical skills, with increased costs for overtime, training and reskilling to address the shortage of specialized personnel 	The entire value chain and own operations	Short and medium term
		Opportunities	<ul style="list-style-type: none"> Increased talent attraction through renewable and sustainable business, in tune with labour market trends 	Upstream	Short term
		Positive impacts	<ul style="list-style-type: none"> Benefits for the territory through the value generated for local suppliers, skills development, economic spin-off, donations, sponsorships and support for local economies, with greater awareness in the communities 	Own and downstream operations	Short term
	S3 - Affected communities Economic, social and cultural rights of communities	Risks	<ul style="list-style-type: none"> Direct and indirect costs of not involving stakeholders in the development of new plants Reputational damage and costs resulting from breaches in Operation Technology systems and attacks on the automation and protection systems of hydroelectric plants Growing risks of conflicts over the multiple use of water resources Impacts from non-optimal application or partial compliance of Civil Protection Plans in the event of exceptional natural events in areas with dams 	The entire value chain and own operations	Short term
		Positive impacts	<ul style="list-style-type: none"> Access to certified information through financial and non-financial reporting Greater accessibility to energy efficiency solutions and green energy supply for end consumers 	Own operations	Short term
		Risks	<ul style="list-style-type: none"> Reputational damage from prolonged service interruptions caused by abnormal weather events Reputational risks and costs associated with breaches of Operation Technology systems and attacks on digital plant systems Reputational risks arising from insufficient communication, both internally and externally, on Scope 3 	The entire value chain and own operations	Short and medium term
		Opportunities	<ul style="list-style-type: none"> Strengthened brand reputation and image thanks to clear, quality information offered through local offices 	Own and downstream operations	Short term
		Positive impacts	<ul style="list-style-type: none"> Prevention of active and passive corruption through training activities 	Own operations	Short term
GOVERNANCE	G1 - Business Conduct Business culture Political engagement and lobbying Management of relations with suppliers, including payment practices Active and passive corruption	Risks	<ul style="list-style-type: none"> Additional costs for monitoring suppliers' ESG compliance Exposure to risks related to active or passive corruption Risks related to cybersecurity attacks Exposure to risks due to the inadequacy of MOG 231, the control framework or the lack of harmonization between the parent company and subsidiaries Negative economic repercussions in case of failure to achieve the objectives of the 2023-2027 Integrated Plan 	The entire value chain and own operations	Short, medium and long term
		Opportunities	<ul style="list-style-type: none"> Contribution to the national energy transition plan, through the promotion of proactive actions at political bodies to regulate the development of renewable energy 	The entire value chain	Short term

On an environmental level, the intensification of extreme weather events and water variations could impact operational continuity, requiring greater attention to infrastructure management. To address these risks, CVA has adopted an approach that includes optimizing the use of water resources, strengthening distribution networks and integrating advanced technologies for climate monitoring. On the other hand, the increase in demand for renewable energy is accelerating the diversification of the energy mix, with effects on capacity expansion decisions and the management of hydroelectric assets, in line with the Group's Strategic Plan.

From a social point of view, the guarantee of open-ended contracts, which are the result of collective bargaining systems, brings significant benefits: it increases economic security, encourages a better work-life balance and increases the overall satisfaction and well-being of employees, thus also generating positive effects in terms of *retention* for the company. At the same time, the potential risks associated with business interruptions, resulting from the non-reconfirmation of production and distribution concessions, are mitigated by the strategy of diversification of energy sources, supported by investments envisaged in the Strategic Plan.

In terms of governance, the evolution of ESG regulations could have a direct effect on compliance and risk management. To mitigate this risk, the company has strengthened internal controls and monitoring systems along the value chain. Increased regulatory pressure and the risk of sanctions, on the other hand, could accelerate the integration of sustainability into decision-making processes and supplier selection criteria. In addition, the intensification of cybersecurity threats and the risk of operational disruptions due to attacks on digital plant systems have led CVA to invest in advanced protection technologies, affecting costs and operational resilience.

Overall, the relevant positive and negative impacts are connected to CVA's own operational activities and distributed along the value chain.

During the 2024 financial year, no current financial effects associated with the Impacts, Risks and Opportunities (IROs) identified as material were detected.

[IRO-1] Description of the process for identifying and assessing relevant impacts, risks and opportunities

CVA conducted a Double Materiality Analysis (DMA) as outlined in paragraph 31 of ESRS 1, to identify the most significant impacts, risks and opportunities (IROs) for itself and its value chain on which to focus the Sustainability Statement for 2024.

From a methodological point of view, two dimensions were considered:

- Impact relevance (inside-out perspective): assessment of the impacts – current or potential, positive or negative, short, medium or long term – that the CVA Group generates and could generate on the environment and/or people;
- Financial relevance (outside-in perspective): assessment of risks and opportunities that could affect the financial position of the company.

Below are the steps of the DMA, implemented through a process aimed at identifying, assessing and prioritising the most relevant sustainability issues for the company and its stakeholders.

Identification of IROs

The identification of the CVA Group's risks and opportunities (IROs) took place through a structured and integrated process involving several corporate functions. These include the Quality, Safety and Environment (QSA), Human Resources, Risk Management, Legal, Engineering and External Relations and Sustainability functions - the latter with the role of process coordination.

Starting from the Group's core business, the structure of its value chain, its governance model and work organisation, through to its development strategy and the overall market and regulatory scenario, an analysis of the potential impacts generated on the one hand, and the risks incurred and opportunities on the other hand, was conducted in relation to both the sustainability issues outlined in paragraph AR 16 of ESRS 1, and the previous impact materiality assessment prepared according to the Global Reporting Initiative (GRI) 2021 Standards.

The drafting of the longlist of impacts, risks and opportunities took into account contextual information, including regulatory and market developments, such as the global energy crisis, the RePowerEU plan, hydroelectric concessions, Permitting, the Roadmap for a Carbon Free and Fossil Fuel Free Valle d'Aosta, and the Regional Environmental Energy Plan. Furthermore, a benchmark analysis was conducted with industry players to further enrich the identification of IROs, ensuring a competitive perspective aligned with best market practices.

The financial relevance analysis included a review of the possible financial effects linked to the identified impacts, distinguishing between risks and opportunities. In particular, with the support of the Risk Management function, the connection between sustainability risks and the company's Enterprise Risk Management (ERM) process was examined, integrating any risks not already correlated to the identified impacts.

The identified risks related to the company's own workforce, affected communities and business conduct are mainly related to dependencies on social resources, which may affect the company's ability to rely on the necessary relationships in its business operations. Dependencies on natural resources, on the other hand, are relevant for the identified risks connected to the issues of energy, water withdrawals, impacts linked to the territory, as well as access to products and services for end users. These dependencies, in fact, can affect the ability of the company to continue to use or obtain the resources needed in business activities, as well as the quality and prices of these resources.

This process produced a list of IROs common to the entire Group, through an aggregated analysis to ensure consistency and integration. Subsequently, specific IROs were identified for each operational area and vertical function, taking into account the peculiarities and needs of the different stages of the CVA's value chain. The final IROs were then validated by the relevant functions.

Evaluation of IROs

Each IRO was given a qualitative-quantitative score, developed on the basis of established references and methodologies provided by ESRS standards. The criteria used for the assessments include: the results of the impact materiality defined in the previous reports, with particular attention to the last two drafted according to the GRI 2021; the results of the ERM Risk Assessment analysis, integrated by the related financial thresholds calculated on EBITDA; the results of the voluntary TCFD disclosure, applied in particular to the IROs linked to hydroelectric assets.

To analyze the relevance, each impact was examined considering four parameters: its magnitude, its scope and irremediability, together with its probability of occurrence. Irremediability was considered only for negative impacts. For financial significance, the risks and opportunities for the company's financial situation were assessed by combining the potential negative or positive financial effect on EBITDA with the probability of their occurrence.

In conducting the analysis, CVA considered all relevant and applicable activities, business relationships and geographies for the Group. No significant impacts have been identified in which the company is involved as a consequence of its business relations.

Relevance threshold and validation of DMA results

In order to be able to identify the relevant issues among those that emerged, a threshold of relevance was drawn at the median of the scores. The results were submitted to the CVA Board of Directors for evaluation and validation. *For more information on the decision-making process and related internal control procedures, please refer to GOV-5 [page 80](#).*

Finally, CVA initiated an active dialogue with stakeholders, involving external experts, including trade union representatives, F2i and Unicredit, in the analysis conducted. The discussions confirmed the soundness of the approach adopted by the Group, in line with industry best practice.

Although no specific additions or additional themes emerged for inclusion, stakeholders highlighted the importance of enhancing CVA's contribution to local communities and the company's social impact more generally. In particular, the importance of issues related to Diversity & Inclusion and gender equality was highlighted.

[IRO-2] Disclosure requirements of ESRS subject of the corporate sustainability statement

The Disclosures and related Disclosure Requirements (DRs) were selected based on the results of the Double Materiality Analysis (DMA) and the sustainability issues identified in accordance with paragraph AR16 of ESRS 1. *For more information, please refer to IRO-1 page 92.* In general, all mandatory disclosures related to material sustainability issues are reported in accordance with paragraphs 29 and 33 of ESRS 1 (e.g., ESRS 2 and the MDR Minimum Disclosure Requirements for Material Sustainability Issues), with the exception of non-applicable indicators and some voluntary disclosures.

The metrics were selected according to the materiality principle, as outlined in paragraph 31 of ESRS 1 and defined by EFRAG's Q&A (ID 177 of November 2024). Additionally, for the current fiscal year, all identified IROs are covered by the ESRS Disclosure Requirements. It should also be noted that the information provided only refers to the fiscal year 2024. Below is a list of the disclosure requirements met in drafting the Sustainability Statement, following the outcome of the double relevance.

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BP-2	Information in relation to specific circumstances	77
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GOV-2	The company must indicate how the administrative, management and supervisory bodies are informed about sustainability issues and how these are addressed	79
GOV-3	Integration of sustainability performance into incentive systems	80
GOV-4	Statement on due diligence	80
GOV-5	Risk management and internal controls on sustainability reporting	80
SBM-1	Strategy, business model and value chain	82
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IRO-1	Description of the process for identifying and assessing relevant impacts, risks and opportunities	92
IRO-2	Disclosure requirements of ESRS subject of the corporate sustainability statement	94
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IRO-1	Description of the process for identifying and assessing relevant impacts, risks and opportunities	116
E1-2	Climate change mitigation and adaptation policies	117
E1-3	Actions and resources related to climate change policies	118
E1-4	Climate change mitigation and adaptation objectives	122
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IRO-1	Description of the process for identifying and assessing relevant impacts, risks and opportunities	129
E3-1	Policies related to water and marine resources	130
E3-2	Actions and resources related to water and marine resources	130
E3-3	Objectives related to water and marine resources	132
E3-4	Water consumption	131

ESRS code	Information	Page
ESRS E4	Biodiversity	132
E4-1	Transition plan and focus on biodiversity and ecosystems in strategy and business model	133
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S1-7	Characteristics of non-employees in the enterprise's own workforce	147
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S3-4	Actions on relevant impacts on affected communities and approaches for managing relevant risks and pursuing relevant opportunities for affected communities, as well as the effectiveness of these actions	155
S3-5	Objectives related to managing relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities	158

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Appendix B – List of information elements referred to in the cross-cutting and thematic principles arising from other EU legislation

Duty of disclosure and corresponding information element	SFDR Reference	Third pillar reference	Reference index regulation	EU regulatory reference on climate	Paragraph title in the 2024 Sustainability Statement
ESRS 2 GOV-1 Gender diversity in the board, paragraph 21(d)	Annex I, Table 1, Indicator No. 13	-	Commission Delegated Regulation (EU) 2020/1816 (5), Annex II	-	Relevant
ESRS 2 GOV-1 Percentage of independent board members, paragraph 21(e)	-	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Relevant
ESRS 2 GOV-4 Statement on due diligence, par. 30	Annex I, Table 3, Indicator No. 10	-	-	-	Relevant
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, par. 40(d)(i)	Annex I, Table 1, Indicator No. 4	-	-	-	Not relevant
ESRS 2 SBM-1 Involvement in Activities Related to the Production of Chemicals, par. 40(d)(ii)	Annex I, Table 2, Indicator No. 9	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Not relevant
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, par. 40(d)(iii)	Annex I, Table 1, Indicator No. 14	-	Article 12(l) of Delegated Regulation (EU) 2020/1818(7) and Annex II of Delegated Regulation (EU) 2020/1816	-	Not relevant
ESRS 2 SBM-1 Involvement in Activities Related to Tobacco Growing and Production, par. 40(d)(iv)	-	-	Article 12(l) of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	-	Not relevant
ESRS E1-1 Transition plan to achieve climate neutrality by 2050, paragraph 14	-	-	-	Article 2(1) of Regulation (EU) 2021/1119	Relevant
ESRS E1-1 Companies excluded from benchmarks aligned with the Paris Agreement, paragraph 16(g)	-	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 1: Banking portfolio - Indicators of potential transition risk related to climate change: Credit quality of exposures by sector, emissions and remaining duration	Article 12, paragraph 1, points (ad) to (g), and paragraph 2, of Delegated Regulation (EU) 2020/1818	-	Relevant

Duty of disclosure and corresponding information element	SFDR Reference	Third pillar reference	Reference index regulation	EU regulatory reference on climate	Paragraph title in the 2024 Sustainability Statement
ESRS E1-4 GHG emission reduction targets, paragraph 34	Annex I, Table 2, Indicator No. 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 3: Banking portfolio - Indicators of potential transition risk related to climate change: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818	-	Relevant
ESRS E1-5 Fossil fuel energy consumption disaggregated by source (sectors with high climate impact only), paragraph 38	Annex I, Table 1, Indicator No. 5 and Annex I, Table 2, Indicator No. 5	-	-	-	Relevant
ESRS E1-5 Energy consumption and energy mix, paragraph 37	Annex I, Table 1, Indicator No. 5	-	-	-	Relevant
ESRS E1-5 Energy intensity associated with activities in sectors with high climate impact, paragraphs 40 to 43	Annex I, Table 1, Indicator No. 6	-	-	-	Relevant
ESRS E1-6 Scope 1, 2, 3 gross emissions and total GHG emissions, paragraph 44	Annex I, Table 1, Indicators No. 1 and 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 1: Banking portfolio - Indicators of potential transition risk related to climate change: Credit quality of exposures by sector, emissions and remaining duration	Article 5, paragraph 1, Article 6 and Article 8, paragraph 1, of Delegated Regulation (EU) 2020/1818	-	Relevant
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Annex I, Table 1, Indicator No. 3	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Model 3: Banking portfolio - Indicators of potential transition risk related to climate change: alignment metrics	Article 8, paragraph 1, of Delegated Regulation (EU) 2020/1818	-	Relevant
ESRS E1-7 GHG removals and carbon credits, paragraph 56	-	-	-	Article 2(1) of Regulation (EU) 2021/1119	Not relevant
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	-	-	Annex II of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	-	Relevant

Duty of disclosure and corresponding information element	SFDR Reference	Third pillar reference	Reference index regulation	EU regulatory reference on climate	Paragraph title in the 2024 Sustainability Statement
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Location of significant physical risk assets, paragraph 66(c)	-	Article 449a of Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Model 5: Banking portfolio – Indicators of potential physical risk related to climate change: exposures subject to physical risk	-	-	Relevant
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, paragraph 69	-	Article 449a of Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Model 5: Banking portfolio – Indicators of potential physical risk related to climate change: subject exposures	-	-	Relevant
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, paragraph 69	-		Annex II to Delegated Regulation (EU) 2020/1818	-	Relevant
ESRS E2-4 Quantity of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and land, paragraph 28	Annex I, Table 1, Indicator No. 8; Annex I, Table 2, Indicator No. 2; Annex I, Table 2, Indicator No. 1; Annex I, Table 2, Indicator No. 3	-	-	-	Not relevant
ESRS E3-1 Water and marine resources, paragraph 9	Annex I, Table 2, Indicator No. 7	-	-	-	Relevant
ESRS E3-1 Dedicated Policy, paragraph 13	Annex I, Table 2, Indicator No. 8	-	-	-	Relevant
ESRS E3-1 Sustainability of the oceans and seas, paragraph 14	Annex I, Table 2, Indicator No. 12	-	-	-	Not relevant
ESRS E3-4 Total recycled and reused water, paragraph 28, letter c)	Annex I, Table 2, Indicator No. 6.2	-	-	-	Relevant
ESRS E3-4 Total water consumption in m3 compared to net revenues from own operations, paragraph 29	Annex I, Table 2, Indicator No. 6.1	-	-	-	Relevant
ESRS 2 IRO-1 – E4 paragraph 16, letter a), point (i)	Annex I, Table 1, Indicator No. 7	-	-	-	Relevant

Duty of disclosure and corresponding information element	SFDR Reference	Third pillar reference	Reference index regulation	EU regulatory reference on climate	Paragraph title in the 2024 Sustainability Statement
ESRS 2 IRO-1 – E4 paragraph 16, letter b)	Annex I, Table 2, Indicator No. 10	-	-	-	Relevant
ESRS 2 IRO-1 – E4 paragraph 16, letter c)	Annex I, Table 2, Indicator No. 14	-	-	-	Relevant
ESRS E4-2 Sustainable agricultural/land use policies or practices, paragraph 24(b)	Annex I, Table 2, Indicator No. 11	-	-	-	Relevant
ESRS E4-2 Sustainable sea/ocean use practices or policies, paragraph 24, letter c)	Annex I, Table 2, Indicator No. 12	-	-	-	Not relevant
ESRS E4-2 Policies to address deforestation, paragraph 24, letter d)	Annex I, Table 2, Indicator No. 15	-	-	-	Relevant
ESRS E5-5 Non-recycled waste, paragraph 37, letter d)	Annex I, Table 2, Indicator No. 13	-	-	-	Not relevant
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Annex I, Table 1, Indicator No. 9	-	-	-	Not relevant
ESRS 2 – SBM3 – S1 Risk of forced labour, paragraph 14, letter f)	Annex I, Table 3, Indicator No. 13	-	-	-	Relevant
ESRS 2 – SBM3 – S1 Risk of child labour, paragraph 14, letter g)	Annex I, Table 3, Indicator No. 12	-	-	-	Relevant
ESRS S1-1 Political commitments on human rights, paragraph 20	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11	-	-	-	Relevant
ESRS S1-1 Due diligence policies on matters covered by core Conventions 1 to 8 of the International Labour Organisation, paragraph 21	-	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Relevant
ESRS S1-1 Procedures and measures to prevent trafficking in human beings, paragraph 22	Annex I, Table 3, Indicator No. 11	-	-	-	Relevant
ESRS S1-1 Prevention policy or management system for accidents at work, paragraph 23	Annex I, Table 3, Indicator No. 1	-	-	-	Relevant

Duty of disclosure and corresponding information element	SFDR Reference	Third pillar reference	Reference index regulation	EU regulatory reference on climate	Paragraph title in the 2024 Sustainability Statement
ESRS S1-3 Complaints/Complaint handling mechanisms, paragraph 32, letter c)	Annex I, Table 3, Indicator No. 5	-	-	-	Relevant
ESRS S1-14 Number of deaths and number and rate of work-related accidents, paragraph 88, letters (b) and (c)	Annex I, Table 3, Indicator No. 2	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Relevant
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illnesses, paragraph 88, letter e)	Annex I, Table 3, Indicator No. 3	-	-	-	Relevant
ESRS S1-16 Unadjusted gender pay gap, paragraph 97, letter a)	Annex I, Table 1, Indicator No. 12	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Relevant
ESRS S1-16 Excess pay gap in favour of the CEO, paragraph 97, letter b)	Annex I, Table 1, Indicator No. 12	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Relevant
ESRS S1-17 Incidents related to discrimination, paragraph 103, letter a)	Annex I, Table 3, Indicator No. 8	-	-	-	Not relevant
ESRS S1-17 Failure to comply with the UN Guiding Principles on Business and Human Rights and OECD, paragraph 104, letter a)	Annex I, Table 1, Indicator No. 10 and Annex I, Table 3, Indicator No. 14	-	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	-	Not relevant
ESRS 2 SBM-3 – S2 Serious risk of child labour or forced labour in the labour chain, paragraph 11, letter b)	Annex I, Table 3, Indicators No. 12 and 13	-	-	-	Not relevant
ESRS S2-1 Political commitments on human rights, paragraph 17	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11	-	-	-	Not relevant
ESRS S2-1 Worker-related policies in the value chain, paragraph 18	Annex I, Table 3, Indicators No. 11 and 4	-	-	-	Not relevant
ESRS S2-1 Failure to comply with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Annex I, Table 1, Indicator No. 10	-	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	-	Not relevant
ESRS S2-1 Due diligence policies on matters covered by core Conventions 1 to 8 of the International Labour Organisation, paragraph 19	-	-	Commission Delegated Regulation (EU) 2020/1816, Annex II	-	Not relevant

Duty of disclosure and corresponding information element	SFDR Reference	Third pillar reference	Reference index regulation	EU regulatory reference on climate	Paragraph title in the 2024 Sustainability Statement
ESRS S2-4 Human rights issues and incidents in its upstream and downstream value chain, paragraph 36	Indicator number 14, Table #3 of Annex 1	-	-	-	Not relevant
ESRS S3-1 Political commitments on human rights, paragraph 16	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11	-	-	-	Relevant
ESRS S3-1 Failure to comply with the UN Guiding Principles on Business and Human Rights, the ILO Principles or the OECD Guidelines, paragraph 17	Annex I, Table 1, Indicator No. 10	-	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	-	Relevant
ESRS S3-4 Human rights issues and incidents, paragraph 36	Annex I, Table 3, Indicator No. 14	-	-	-	Relevant
ESRS S4-1 Consumer and end-user related policies, paragraph 16	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11	-	-	-	Relevant
ESRS S4-1 Failure to comply with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Annex I, Table 1, Indicator No. 10	-	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	-	Relevant
ESRS S4-4 Human rights issues and incidents, paragraph 35	Annex I, Table 3, Indicator No. 14	-	-	-	Relevant
ESRS G1-1 United Nations Convention against Corruption, paragraph 10, letter b)	Annex I, Table 3, Indicator No. 15	-	-	-	Relevant
ESRS G1-1 Whistleblower Protection, paragraph 10, letter d)	Annex I, Table 3, Indicator No. 6	-	-	-	Relevant
ESRS G1-4 Fines imposed for violations of laws against active and passive corruption, paragraph 24, letter a)	Indicator number 17, Table #3 of Annex 1	-	-	-	Relevant
ESRS G1-4 Standards on combating active and passive corruption, paragraph 24, letter b)	Annex I, Table 3, Indicator No. 16	-	-	-	Relevant

ENVIRONMENTAL INFORMATION

European Taxonomy - Information pursuant to Article 8 of Regulation 2020/852

The European Union Taxonomy is the classification system introduced by Regulation (EU) 2020/852, aimed at orienting financial flows towards environmentally sustainable activities, in line with the objectives of the European Green Deal, the Paris Agreement and the United Nations 2030 Agenda.

The initiative is part of the European Commission's Sustainable Finance Action Plan and aims to increase transparency and comparability of information on the environmental impacts of economic activities, supporting the transition to a low-carbon economy. An economic activity can be considered sustainable under the Taxonomy if it contributes substantially to at least one of the following six environmental objectives: (I) Climate change mitigation – CCM; (II) Climate change adaptation – CCA; (III) Sustainable use and protection of water and marine resources – WTR; (IV) Transition to a circular economy – CE; (V) Pollution prevention and control – PPC; (VI) Protection and restoration of biodiversity and ecosystems – BIO.

To be classified as “aligned” with the Taxonomy, an activity must meet the following conditions:

- **Substantial contribution:** must contribute significantly to at least one of the six environmental goals;
- **Do No Significant Harm (DNSH):** must not cause significant harm to the other five goals;
- **Minimum social safeguard guarantees:** must respect the principles of responsible business conduct and human rights, according to OECD and UN guidelines.
- The technical criteria for the verification of activities are defined in the following Delegated Acts:
- **Climate Delegated Act**² (2021/2139 EU), for the first two climate goals, supplemented by the Supplementary Delegated Act (2022/1214 EU) for natural gas and nuclear transition activities;
- **Environmental Delegated Act**³ (2023/2486 EU), for the four non-climate environmental goals;
- **Disclosure Delegated Act** (EU 2021/2178), which establishes content, format and key performance indicators (KPIs) for reporting.

For the reporting year 2024, in line with the guidance of the Disclosure Delegated Act, companies falling within the scope of Legislative Decree 125/2024 for the annual reporting of non-financial information - and thus subject to Regulation 2020/852/EU - are required to publish a disclosure of the percentage share of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) attributable to eligible economic activities and aligned to all six climate targets.

Eligibility and alignment of the CVA Group

To meet the Taxonomy Disclosure requirements, in 2024 CVA retraced the cross-Group process carried out in the previous years of application of the Regulation. The project was managed by the External Relations and Sustainability Department and actively involved the Group's Operations Department and Administration, Finance, Control and Services Department, in addition to the reporting companies.

The first step involved **updating the admissibility analysis**, useful for identifying the activities carried out in 2024 by the CVA Business Units that match the updated scope of activities listed by the Regulation for the 6 goals of the Taxonomy. The eligibility analysis identified **7 eligible activities**, belonging to **3 sectors** of the Regulation, and which can contribute to the achievement of the climate change mitigation objective. Subsequently, the Group carried out the verification of compliance with the technical screening criteria for alignment for the identified eligible activities.

2 C (2021) 2800 final, Annex 1 and 2, European Commission, 2021. Available at the link: [https://eur-lex.europa.eu/legal-content/IT/ALL/?uri=PL_COM:C\(2021\)2800](https://eur-lex.europa.eu/legal-content/IT/ALL/?uri=PL_COM:C(2021)2800)

3 C/2023/2486, European Commission, 2023. Available at: https://eur-lex.europa.eu/legal-content/IT/TXT/PDF/?uri=OJ:L_202302486

Substantial contribution

For each eligible activity, compliance with the **technical screening criteria** necessary to establish the substantial contribution to achieving the climate change mitigation goal. The criteria set real technical thresholds that establish the limits within which the activity is able to meet the first requirement for alignment with the Taxonomy.

Code	Goal	Activity ⁴	Substantial contribution rationale
3.10	CCM	Hydrogen production	CVA is planning to build an electrolysis plant. For this plant, the Group undertakes to ensure compliance with Directive 2018/2001/EU, implemented by Legislative Decree No. 199 of 8 November 2021 or, alternatively, validation of design data according to ISO 14067:2018 or ISO 14064-1:201874 standards. In addition, it will be ensured that the use of electricity for powering the process will be less than 100 gCO ₂ /kWh and less than 58 MWh/t H ₂ .
4.1	CCM	Electricity generation using solar photovoltaic technology	The business produces electricity using photovoltaic solar technology.
4.3	CCM	Electricity generation from wind energy	The business produces electricity from wind energy.
4.5	CCM	Electricity generation from hydropower	All of the Group's 32 hydropower plants meet the criteria for the contribution to climate change mitigation target: the 18 run-of-river plants are directly aligned as they do not have a reservoir, while for all the other 14 basin and tank plants, compliance with the power density threshold of more than 5W/m ² was verified, taking the reservoir as the reference area.
4.9	CCM	Transmission and distribution of electricity	The energy transmission and distribution system is the interconnected European system.
7.3	CCM	Installation, maintenance and repair of energy efficiency equipment	CVA's operations: <ul style="list-style-type: none"> • addition of insulation to existing building envelope components; • installation and replacement of energy-efficient light sources; • installation, replacement, maintenance and repair of heating, ventilation and air conditioning and water heating systems, including equipment for district heating services, with high-efficiency technologies.
7.6	CCM	Installation, maintenance and repair of renewable energy technologies	The Group was responsible for the installation, maintenance and repair of: solar photovoltaic systems and ancillary technical equipment; solar hot water panels and ancillary technical equipment; heat pumps that contribute to renewable energy targets in the heat and cooling sector in accordance with Directive (EU) 2018/2001 and ancillary technical equipment; electrical or thermal energy storage units and ancillary technical equipment.

Do No Significant Harm (DNSH)

For each eligible activity that met the criteria for a substantial contribution to at least one of the two climate objectives, the technical and regulatory requirements were checked to **ensure that the activity in question would not cause significant harm to the other environmental objectives** defined in the Regulation. The analysis included the verification of both **specific criteria** which impose ad-hoc technical or regulatory verifications for each activity and objective, and of **general criteria**, which refer to compliance with European or national regulations or the performance of verification activities on environmental issues.

Adaptation to climate change: in 2023, CVA concluded the project aimed at analyzing climate change-related risks and opportunities, according to the guidelines of the Task Force on Climate Related Financial Disclosures (TCFD). The work is based on the main global climate scenarios developed by international reference bodies to determine physical risks, i.e. risks arising from the effects of climate events, considered 'acute' if related to episodic phenomena or 'chronic' if related to long-term changes, and transitional risks, i.e. risks arising from the transition process towards a low-carbon economic system that may involve changes in the regulatory, legal, technological and normative spheres. In particular, a Climate Change Risk Assessment (CCRA) model was developed and the know-how acquired in Enterprise Risk Management (ERM) was integrated. One of the main aspects emerging from the CCRA analysis concerns the intensification of extreme weather events, with short and medium-term impacts on physical production assets and energy distribution infrastructure. Chronic physical hazards include changes in the hydrological flow regime, the potential negative effects of which are expected over a longer time horizon. Conversely, an increase in average irradiance correlated with lower cloudiness and higher temperatures will, on the whole, have a positive effect on photovoltaic production. The analysis carried out according to the TCFD guidelines therefore allows the CVA Group to fully meet the requirements of Appendix A on DNSH for the Climate Change Adaptation objective of all eligible activities.

4 Activities are listed in order of economic importance

Sustainable use and protection of water and marine resources: for existing plants, CVA implements all the mitigation and monitoring measures required by the Water Protection Plan in force in the Autonomous Region of Valle d'Aosta. All stretches of watercourses under the hydroelectric plants comply with the achievement of the environmental objectives defined by the Water Framework Directive, as highlighted by the monitoring carried out by ARPA Valle d'Aosta within the Management Plan of the Po River Hydrographic District. For the construction of new hydroelectric plants, an Environmental Impact Assessment is carried out, as required by Regional Law 12/2009, in order to assess the potential impacts of the project, define mitigation and monitoring actions to protect the aquatic environment and not permanently compromise the achievement of good status/potential of water bodies.

Transition to a circular economy: where relevant, the presence of a waste management plan generated by the activities has been verified in compliance with the waste hierarchy, the EU waste management protocol and the requirements for the services or products purchased.

Pollution prevention and reduction: depending on the activity being analyzed, compliance with the required criteria was verified.

Protection and restoration of biodiversity and ecosystems: CVA plants are not subject to EIA. In any case, in the case of a new plant, an Environmental Impact Assessment is carried out, as required by Regional Law 12/2009, in order to assess the potential impacts of the project and define mitigation and monitoring actions to protect the environment.

Minimum social safeguards

For the purpose of verifying alignment with the Taxonomy, CVA assessed compliance with the minimum social safeguards, as required by Regulation (EU) 2020/852. These guarantees refer to compliance with international principles on human rights, labour rights, the fight against corruption, fair competition and responsible taxation. To this end, a document was formalised to certify the Group's compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, referring to existing company policies, including the Code of Ethics and the 231 Organisation, Management and Control Model. The company has implemented a governance model that includes the 231 Organisation, Management and Control Model (MOG 231), the Code of Ethics, a whistleblowing system, and a Supervisory Board, with the aim of overseeing compliance and mitigating risks related to company conduct. Furthermore, the company has not received any convictions for violation of labour or human rights and ensures constant stakeholder involvement, in compliance with applicable regulations.

In the fight against corruption, the Group adopts a zero-tolerance approach, consistent with MOG 231, supported by internal controls and dedicated training. During 2024, there were no cases of corruption, nor were there any convictions for violations of labour rights, human rights, competition or tax obligations by any member of the Group, including senior management.

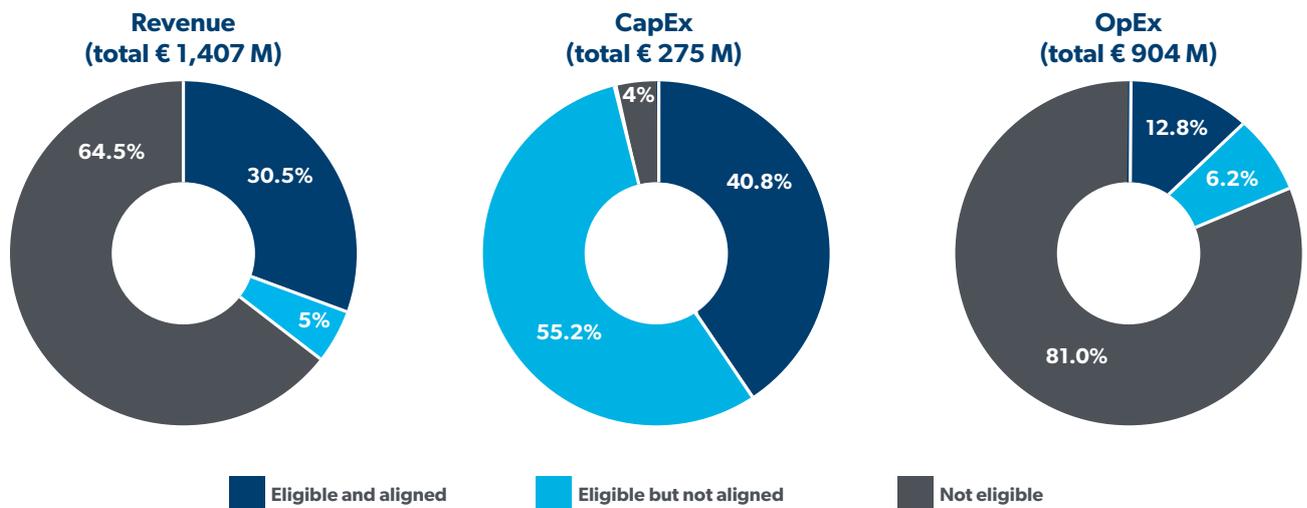
As a confirmation of the company's integrity, CVA obtained the highest score in the Rating of Legality issued by the Italian Competition and Market Authority, which rewards companies committed to transparent, ethical and compliant management.

The economic and financial KPIs required by the Taxonomy

In line with the *Disclosure Delegated Act*, the Group calculated the percentages of turnover, CapEx and OpEx attributable to eligible activities and aligned to the six climate and environmental objectives of the Taxonomy.

For 2024, 35.5% of the turnover was eligible and 30.5% aligned with the technical criteria. CapEx were 96% eligible and 40.8% aligned, while 19% of OpEx were eligible and 12.8% aligned.

The reduction in alignment values compared to 2023 is due to the expansion of the Group's corporate scope. In fact, the new companies in the scope, despite meeting the requirements of substantial contribution to the climate change mitigation objective, have not yet been included in the TCFD climate risk analysis, which certifies compliance with the DNSH for the climate change adaptation objective.



Accounting standards and disclosures

Below is the qualitative information required by the Regulation on the construction of the economic-financial KPIs required by the Taxonomy. In particular, it explains how the percentages of turnover, CapEx and OpEx relating to the Group's eligible and aligned activities and defined on the basis of the indications of Annex 1 to Delegated Act 2178/2021 are established.

The figures in the CVA disclosure refer to the Group's performance for the year 2024, prepared in accordance with International Financial Reporting Standards (IFRS). In particular, CVA used a dedicated accounting process to identify the economic-financial items useful for building the KPIs required by the Taxonomy and the data used are traceable and attributable to general, industrial and regulatory accounting.

In order to obtain the information necessary to construct the economic KPIs, CVA used the dedicated accounting process, which is based on the reporting provided in compliance with IFRS 8 - Operating Segments. In addition, more detailed analytical accounting tools integrated in the collection information system were used to analyse the available data in depth and, when necessary, drivers were used to complete missing information. The information presented refers to the reporting used for the Group's Consolidated Financial Statements for the fiscal year ending 31 December 2024, in accordance with IFRSs issued by the IASB and the laws and regulations in force in Italy. CVA considers it plausible that the process of determining KPIs may change in the future as a result of possible regulatory developments related to the Regulation.

Below is a summary of how the KPIs required by the Taxonomy are calculated for eligibility and alignment with the activities and the criteria listed in the Regulation.

Turnover

- Denominator: total value of net sales that contributes to the definition of "Revenues" in the CVA Group's Consolidated Financial Statements.
- Numerator: net turnover from products and services associated with eligible economic activities aligned with the taxonomy.

Focus on

With regard to the valorisation of the Group's share of revenues from the generation of electricity from renewable sources, the quotas that CVA Energie realised for the valorisation of this energy on the various markets were considered eligible. These are revenues from operations on the various GME and Terna platforms as well as financial hedges entered into to stabilize, in whole or in part, the economic value of the energy flows sold. Furthermore, the transfer to third parties of the Guarantees of Origin accrued on the production of the Group's plants was enhanced.

CapEx

- Denominator: total value of capital expenditure contributing to the CVA Group's "Total Investments". The calculation included additions to property, plant and equipment, additions to property, plant and equipment and intangible assets during FY 2024 considered before depreciation, amortisation, impairment and any revaluation, including those resulting from restatements and reductions in value, for the year in question and excluding changes in Fair Value.
- Numerator: eligible capital expenditure aligned to the Taxonomy.

OpEx

- Denominator: non-capitalised direct costs associated with research and development, building renovation measures, short-term rental, maintenance and repair, and direct costs associated with the day-to-day maintenance of property, plant and equipment, either by the company or by third parties to whom these tasks are outsourced, necessary to ensure the continuous and effective operation of these assets.
- Numerator: eligible operational expenditure aligned to the Taxonomy.

Share of turnover derived from products or services associated with economic activities aligned to the Taxonomy

1 Letter to the shareholders

2 Report on Operations

3 Consolidated Sustainability Reporting

4 Consolidated Financial report of the CVA Group

5 Financial report of CVA

Financial year N	2024		Criteria for substantial contribution						DNSH criteria (Do no significant harm)											
	Activity code	Total turnover thousands of €	Share of Turnover %	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Share of turnover aligned or eligible for the taxonomy, year 2023	Qualifying activity	Transition activities	Text
				Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Y/N	%	A	T					
A. Activities eligible for the Taxonomy																				
A.1. Environmentally sustainable activities (aligned with Taxonomy)																				
	4.1 CCM	€ 26,287	1.9%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	Y	1.9%	-	-	Electricity generation using solar photovoltaic technology
	4.3 CCM	€ 6,876	0.5%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	Y	0.2%	-	-	Electricity generation from wind energy
	4.5 CCM	€ 368,246	26.2%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	Y	18.3%	-	-	Electricity generation from hydropower
	4.9 CCM	€ 25,835	1.8%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	Y	1.1%	A	-	Transmission and distribution of electricity
	7.6 CCM	€ 2,501	0.2%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	Y	5.1%	A	-	Installation, maintenance and repair of renewable energy technologies
		€ 429,744	30.5%	30.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	26.5%			TURNOVER OF ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED) (A.1)
		€ 28,336	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	6.2%	A		Of which enablers
		€ 0	0.0%	0.0%												Y	0.0%	T		Of which transitional
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with the Taxonomy)																				
	4.1 CCM	€ 1,154	0.1%	AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM		0.0%			Electricity generation using solar photovoltaic technology
	7.3 CCM	€ 5,435	0.4%	AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM		0.0%			Installation, maintenance and repair of energy efficiency equipment
	7.6 CCM	€ 62,802	4.5%	AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM	N/AM		0.9%			Installation, maintenance and repair of renewable energy technologies
		€ 69,391	4.9%	4.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.9%			TURNOVER FROM ACTIVITIES ELIGIBLE FOR THE TAXONOMY BUT NOT ENVIRONMENTALLY SUSTAINABLE (ACTIVITIES NOT ALIGNED WITH THE TAXONOMY) (A.2)
		€ 499,135	35.5%	35.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		27.4%			TURNOVER FROM ACTIVITIES ELIGIBLE FOR THE TAXONOMY (A.1+A.2)
B. Activities not eligible for the Taxonomy																				
		€ 907,986	64.5%																	TURNOVER FROM ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY
		€ 1,407,121	100.0%																	TOTAL

Share of turnover/total turnover		
	Aligned to Taxonomy by Objective	Eligible for Taxonomy by Objective
CCM	30.5%	35.5%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Share of CapEx from products or services associated with economic activities aligned to the Taxonomy

Financial year N	2024			Criteria for substantial contribution						DNSH criteria ('Do no significant harm')										
	Activity code	absolute capex thousands of €	Share of capex %	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Share of capex aligned or eligible for the Taxonomy, year 2023	Qualifying activity	Transition activities	Text
A. Activities eligible for the Taxonomy																				
A.1. Environmentally sustainable activities (aligned with Taxonomy)																				
	Hydrogen production	€ 2,293	0.8%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	0.0%	-	-	3.10 CCM
	Electricity generation using solar photovoltaic technology	€ 61,302	22.6%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	89.6%	-	-	4.1 CCM
	Electricity generation from wind energy	€ 2,258	0.8%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	1.7%	-	-	4.3 CCM
	Electricity generation from hydropower	€ 18,591	6.8%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	4.0%	-	-	4.5 CCM
	Transmission and distribution of electricity	€ 26,370	9.7%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	4.0%	A	-	4.9 CCM
	CAPEX OF ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED) (A.1)	€ 110,814	40.8%	40.8%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	99.4%			
	Of which enablers	€ 26,370	9.7%	9.7%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	4.1%	A		
	Of which transitional	€ 0	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y	0.0%		T	
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with the Taxonomy)																				
	Electricity generation using solar photovoltaic technology	€ 46,162	17.0%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.0%			4.1 CCM
	Electricity generation from wind energy	€ 69,733	25.7%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.0%			4.3 CCM
	Installation, maintenance and repair of energy efficiency equipment	€ 2,862	1.1%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.0%			7.3 CCM
	Installation, maintenance and repair of renewable energy technologies	€ 31,405	11.6%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.0%			7.6 CCM
	CAPEX OF ACTIVITIES ELIGIBLE FOR THE TAXONOMY BUT NOT ENVIRONMENTALLY SUSTAINABLE (ACTIVITIES NOT ALIGNED WITH THE TAXONOMY) (A.2)	€ 150,161	55.2%	55.2%	0.0%	0.0%	0.0%	0.0%	0.0%								0.1%			
	CAPEX OF ACTIVITIES ELIGIBLE FOR THE TAXONOMY (A.1+A.2)	€ 260,975	96.0%	96.0%	0.0%	0.0%	0.0%	0.0%	0.0%								99.5%			
B. Activities not eligible for the Taxonomy																				
	CAPEX OF ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY	€ 10,849	4.0%																	
	TOTAL	€ 271,824	100.0%																	

Share of CapEx/Total CapEx		
	Aligned to Taxonomy by Objective	Eligible for Taxonomy by Objective
CCM	40.8%	55.2%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Share of OpEx from products or services associated with economic activities aligned to the Taxonomy

1 Letter to the shareholders

2 Report on Operations

3 Consolidated Sustainability Reporting

4 Consolidated Financial report of the CVA Group

5 Financial report of CVA

Financial year N	2024			Criteria for substantial contribution						DNSH criteria ('Do no significant harm')										
	Activity code	absolute capex thousands of €	Share of capex %	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Share of capex aligned or eligible for the Taxonomy, year 2023	Qualifying activity	Transition activities	
Text				Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Yes; No; N/AM	Y/N	%	A	T	
A. Activities eligible for the Taxonomy																				
A.1. Environmentally sustainable activities (aligned with Taxonomy)																				
Hydrogen production	3.10 CCM	€ 18	0.0%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	0.0%	-	-	
Electricity generation using solar photovoltaic technology	4.1 CCM	€ 3,518	0.4%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	0.4%	-	-	
Electricity generation from wind energy	4.3 CCM	€ 7,963	0.9%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	0.5%	-	-	
Electricity generation from hydropower	4.5 CCM	€ 81,395	9.0%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	16.5%	-	-	
Transmission and distribution of electricity	4.9 CCM	€ 19,204	2.1%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	1.3%	A	-	
Installation, maintenance and repair of renewable energy technologies	7.6 CCM	€ 3,420	0.4%	Yes	N/AM	N/AM	N/AM	N/AM	N/AM	Y	Y	Y	Y	Y	Y	Y	5.3%	A	-	
OPEX OF ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (TAXONOMY-ALIGNED) (A.1)		€ 115,518	12.8%	12.8%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	24.0%			
Of which enablers		€ 22,625	2.5%	2.5%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	6.6%	A		
Of which transitional		€ 0	0.0%	0.0%						Y	Y	Y	Y	Y	Y	Y	0.0%		T	
A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with the Taxonomy)																				
Electricity generation using solar photovoltaic technology	4.1 CCM	€ 377	0.0%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.0%			
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	€ 2,997	0.3%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.0%			
Installation, maintenance and repair of renewable energy technologies	7.6 CCM	€ 52,717	5.8%	AM	N/AM	N/AM	N/AM	N/AM	N/AM								0.9%			
OPEX OF ACTIVITIES ELIGIBLE FOR THE TAXONOMY BUT NOT ENVIRONMENTALLY SUSTAINABLE (ACTIVITIES NOT ALIGNED WITH THE TAXONOMY) (A.2)		€ 56,091	6.2%	6.2%	0%	0%	0%	0%	0%								0.9%			
OPEX OF ACTIVITIES ELIGIBLE FOR THE TAXONOMY (A.1+A.2)		€ 171,609	19.0%	19.0%	0%	0%	0%	0%	0%								24.9%			
B. Activities not eligible for the Taxonomy																				
OPEX OF ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY		€ 732,370	81.0%																	
TOTAL		€ 903,979	100.0%																	

Share of OpEx/Total OpEx		
	Aligned to Taxonomy by Objective	Eligible for Taxonomy by Objective
CCM	12.8%	19.0%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

Nuclear and fossil gas related activities

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

ESRS E1 - CLIMATE CHANGE

[GOV-3] Integration of sustainability performance into incentive systems

The incentive systems and remuneration policies for management and Board members currently do not include any direct link to sustainability goals or issues. Overall, the incentive conditions are approved by the Board of Directors through a specific resolution that defines the methodology applied and the objectives assigned.

[SBM-3] Relevant impacts, risks and opportunities and their interaction with the strategy and business model

ESRS themes and sub-themes		IROs	Description	Value chain	Expected time horizon
ENVIRONMENT	E1 - Climate Change Adaptation Mitigation Energy	Negative impacts	<ul style="list-style-type: none"> CO₂ emissions along the value chain, from supply to sale 	The entire value chain	Medium term
		Positive impacts	<ul style="list-style-type: none"> Contribution to the national energy mix through renewable energy and diversification of sources (RES) Improved energy efficiency with Smart Energy, CERs and optimised distribution networks Benefits for the territory thanks to dams and hydroelectric plants, crucial for climate adaptation and flood management 	Own operations	Long term
		Risks	<ul style="list-style-type: none"> Risks arising from extreme weather events, chronic climate change and structural variation in climate conditions Compliance and reputational risks related to non-compliance with the obligations to calculate Scope 3 emissions and Decarbonisation Plan Stakeholder objections to the authorization of new plants (NIMBY effect) 	Own operations	Short, medium and long term
		Opportunities	<ul style="list-style-type: none"> Revenue growth driven by growing demand for energy efficiency solutions Easier access to sustainable finance to support installed renewable power targets 	Own operations	Medium term

Climate risks in double materiality

Within the risks identified through the Double Materiality analysis, relating to the topic E1 Climate Change, the company has distinguished between physical risks and transition risks. Physical risks related to climate include direct damages (e.g. extraordinary maintenance costs) and indirect damages (e.g. lost production and insurance costs) caused by extreme weather events. Furthermore, damages resulting from chronic physical risks linked to structural variations in climatic conditions, such as drought, variations in wind patterns, average levels of solar radiation and temperature, are also included. Transition risks instead concern reputational damage and potential sanctions resulting from failure to comply with regulatory obligations, such as the calculation of Scope 3 emissions and the definition of a medium-long term Decarbonisation Plan, as well as damage caused by potential disputes by stakeholders regarding the authorisation to build new renewable energy production plants.

Resilience Analysis

In 2023, CVA conducted a climate risk exposure analysis in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The exercise assessed the resilience of the company's strategy and business model with respect to climate change, using climate scenarios to measure potential impacts and identify necessary adaptation actions. This evaluation also involved SR Investimenti S.r.l., which was acquired in 2023 by the CVA Group.

Subsequently, in 2024, the CVA Group expanded its approach to Risk assessment to include the companies Nuova Energia, Renewable Technical Solutions (RTS), RS Service and Renergetica. This update integrated specific assessments on climate risks, considering both physical and transition aspects related to climate change. *For more information on the use of climate scenario analysis and the application of time horizons, please refer to E1-IRO 1 [page 116](#).*

CVA bases its climate resilience analysis on fundamental assumptions that reflect macroeconomic trends related to the transition to a resilient, low-carbon economy. According to international sources such as the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC), it is predicted that there will be a strong variation in the price of raw materials (with reference to fossil fuels) in the future with consequences on the volatility of electricity prices, as well as a strengthening of national and international regulations on energy efficiency, mitigation and adaptation to climate change. CVA is therefore interested in assessing the risks associated with climate change, both from the point of view of physical risks and transition risks.

Resilience analysis results

Thanks to its diversified production mix from renewable sources, hydroelectric, wind and photovoltaic energy, CVA demonstrates significant resilience to climate risks. The analysis highlighted how the Group's ability to distribute production across different technologies and geographical areas represents a key element in mitigating risks related to climate change. Hydropower, the core of CVA's production, has proven to be particularly robust under moderate climate scenarios, although it shows potential vulnerability under prolonged droughts or significant changes in the water regime. In support of this source, wind and photovoltaic energies offer greater diversification, ensuring a more stable production capacity even in contexts of climate variability. Furthermore, the diversification of energy sources represents a strategic advantage even in the face of regulatory risks, such as the renewal of hydroelectric concessions, ensuring greater operational flexibility and production continuity in an evolving regulatory context. The scenario analysis identified an operational context in which the variability of natural resources requires a proactive and adaptive approach through integrated planning and continuous monitoring of environmental conditions. This approach allows CVA to maintain reliable production capacity while mitigating risks arising from extreme weather events, such as stronger winds or sudden changes in solar radiation, which could impact the performance of wind and photovoltaic plants.

In general, the CVA Group adopts a business model consistent with the main climate and energy policies - including the Green Deal, the Fit for 55 package, the RePowerEU Plan, the Regional Environmental Energy Plan and the Roadmap for a Carbon Free and Fossil Fuel Free Valle d'Aosta - and it is believed that it should not need to radically change its strategy. CVA also has a number of partnerships with public bodies, foundations and universities aimed at technological innovation to improve the resilience of its assets and to monitor climate change.

The Group's Strategic Plan envisages a significant increase in the generation capacity installed by the Other RES BU, which will significantly increase the production of energy from renewable sources. In addition, major asset revamps of the Hydro BU and a further strengthening of the Energy Efficiency BU are planned. The strategy may adapt and benefit from the acceleration and/or extension of investment support mechanisms for climate change mitigation and adaptation.

In general, in the transition scenarios, the effects for the CVA Group are expected to be positive since, given the business model focused on the production, distribution, and sale of energy from renewable sources and on energy efficiency, the implementation of climate policies acts as a catalyst for the Group's growth, especially in the medium to long term. This operational resilience also translates into a greater ability to attract cost-competitive financing, supported by the strategic alignment of the business with sustainability goals and the energy transition.

[IRO-1] Description of the processes for identifying and assessing relevant climate-related impacts, risks and opportunities

Identification of impacts generated

Given the nature of CVA's business, focused on renewable energy production from hydroelectric, wind and photovoltaic sources, climate change impacts are predominantly positive in nature. CVA contributes to decarbonisation through renewable energy production, diversification of energy sources and energy efficiency activities. Dams and hydropower plants support adaptation to climate change, while negative impacts, such as CO₂ emissions along the value chain, are constantly monitored for mitigation. These positive impacts, already fully realised, are manifesting themselves in the present, thus making them effective.

The analysis of impact materiality is the result of a mapping process built up over previous reporting years in accordance with the Global Reporting Initiative (GRI) guidelines and the constant monitoring of scope 1 and scope 2 emissions. This process was supplemented with input from the most involved company functions. *For more information, please refer to ESRS 2 IRO-1 page 92.*

Identification of risks incurred

The process of identifying and assessing climate risks is part of the broader process of analysing climate-related risks and opportunities. This process, overseen and coordinated by the Risk Management Function (FGR), began in 2023 with the risk assessment project according to the guidelines of the Task Force on Climate Related Financial Disclosures (TCFD) and the implementation of the Climate Change Risk Assessment (CCRA), and continued in 2024 with in-depth analyses (deep-dive) on specific assets and climate risks. The project considers the main international climate scenarios developed by the reference bodies (IPCC and IEA), including a high-emission RCP 8.5 scenario and a climate scenario in line with limiting global warming to 1.5 °C. The assessment includes short-term (2030), medium-term (2040) and long-term (2050) time horizons, aligning the analyses to the IPCC and IEA climate scenarios, and includes the definition and monitoring of risk mitigation actions. In addition, the 2024 Risk Assessment considers the effects of climate change in the time horizon of the Strategic-Industrial Plan and in the long term. The analysis then provides an estimate of the economic effects, based on the assumption that the less an IPCC or IEA scenario is oriented towards a rapid transition to a low-carbon economy, the higher the climate risk, the more the Group will be exposed to economic and financial losses. Finally, the project continues with in-depth studies on specific climate risks.

The FGR integrated certain methodological aspects and findings of the CCRA into the Enterprise Risk Management (ERM) and in particular into the Risk Assessment (RA) activity, broadening its assessment horizons and defining specific occurrence scenarios for the identified climate risks. The analysis of climate risks and opportunities is therefore integrated into the CVA Group's regular Risk Assessment process. The RA adopts a bottom-up approach, starting with discussions with the managers and experts of the various corporate structures and leading to the assessment and prioritisation of risks and opportunities, which are reported to top management and the Board of Directors.

The valuation of the company's assets and activities and their exposure to climate risks is based on the budgeted economic and financial performance of the CVA Group.

In order to identify the main climate-related risks, an analysis was conducted on the possible effects of climate change risks to which the Group is exposed, considered over different time horizons (short, medium and long term) identified with the years 2030, 2040 and 2050. The methodology for assessing climate risks and opportunities uses a qualitative-quantitative approach to estimate their materiality on CVA's assets. With regard to physical risks, the assessment methodology considers: (i) climate changes of interest to the Group, (ii) the Group's exposure to the various changes and the vulnerability of the Group and its assets to the climate events analysed.

One of the major aspects to emerge from the analysis is the intensification of extreme weather events, with impacts on physical production assets and energy distribution infrastructure, which are already unfolding in the short to medium term. Chronic physical hazards include changes in the hydrological runoff regime, the potential negative effects of which are expected over a longer time horizon. Conversely, higher average irradiation correlated with lower cloudiness and higher temperatures will have an overall positive effect on photovoltaic production. In terms of generation assets, hydropower is expected to be more exposed than wind and photovoltaics, as the effect of physical risks adds to the transition scenario caused by potential competition for the hydro resource.

By contrast, the impact of transition scenarios is characterized by greater uncertainty due to the complexity and uncertainty of climate policy forecasts. In the transition scenarios, the effects for the CVA Group are expected to be mainly positive since, given the business model focused on the production, distribution, and sale of energy from renewable sources and on energy efficiency, the implementation of climate policies acts as a catalyst for the Group's growth, especially in the medium to long term. As part of the Double Materiality analysis, the Group has identified reputational damage and potential penalties in the event of non-compliance with regulatory obligations, such as the calculation of Scope 3 emissions and the definition of a medium-to-long-term Decarbonisation Plan, as well as damage caused by stakeholder objections to the authorisation for the construction of new plants, which could impact the Group's production activities, as the main risks.

[E1-1] Transition plan for climate change mitigation

CVA does not yet have a transition plan for climate change mitigation. In 2024, however, it calculated the baseline of Scope 3 emissions, the first step in the decarbonisation process, with the aim of defining and adopting a transition plan validated by the Science Based Targets initiative (SBTi) by 2025.

[E1-2] Climate change mitigation and adaptation policies

Integrated Quality, Safety and Environment Policy

CVA, in line with its commitment to climate change mitigation and energy efficiency, has adopted the [Integrated Quality, Safety and Environment \(QSA\) Policy](#). This policy aims to reduce the impacts of CO₂ emissions that contribute to climate change and the risk of extreme weather events to which CVA may be exposed.

With this approach, CVA aims to consolidate its leading role in producing energy from renewable sources, promoting energy efficiency and offering innovative and sustainable services based on state-of-the-art technologies. Impacts, risks and opportunities related to environmental management are identified, tracked and monitored through the Environmental Significance Document (ESD) and the Enterprise Risk Management (ERM) system.

The Policy applies to all Group companies, including CVA S.p.A., CVA Energie, CVA EOS and Valdigne Energie⁵. Responsibility for its implementation lies with the Group's Top Management, consisting of the General Manager of CVA S.p.A., the President and CEO of CVA Energie, the Sole Director of Valdigne Energie and the President of CVA EOS.

⁵ Smart Energy, Solar Ventures and Sunnerg do not yet have management systems and will be gradually integrated within the scope of the Group's Integrated Management System.

CVA ensures that the Policy complies with international standards, including UNI EN ISO 9001:2015 for quality, UNI EN ISO 14001:2015 for environmental management and ISO 45001:2018 for occupational health and safety.

The definition of the Policy takes into account the expectations of stakeholders collected through meetings, interviews and direct and indirect communication channels. Top Management assesses the needs that emerge and integrates them, where appropriate, into the corporate strategy. In particular, the latter was confirmed by the Top Management following a discussion with the main stakeholders in relation to the topic of climate change. The document is made available to stakeholders through publication on the [corporate website](#) and is considered an integral part of the contracts issued by Group companies.

Although CVA's goal is to expand the scope of the Integrated Quality, Safety and Environment Policy to all Group companies, the companies Nuova Energia and RS Service are already ISO 14001 certified for environmental management. Furthermore, in 2025 Sunnerg plans to start the process of obtaining ISO 45001.

Other documents

Since October 2014, Nuova Energia has been certified according to the UNI CEI 11352 standard. This standard sets out the requirements for companies offering energy services aimed at improving energy efficiency at their customers, guaranteeing the achievement of results. The document is made available to stakeholders through publication on the [corporate website](#).

[E1-3] Actions and resources related to climate change policies

The 2025-2029 Strategic-Industrial Plan and the diversification of energy sources

In order to consolidate its position as the leading renewable energy operator in Italy, CVA recently updated its Strategic-Industrial Plan with a projection to 2029. The plan envisages investments of EUR 1.2 billion to strengthen the entire value chain, from production to distribution and sale of renewable energy, and to strengthen the business line dedicated to energy efficiency.

One of the central objectives of the Plan is to continue contributing to the composition of the national energy mix through the production and supply of renewable energy, with a focus on the diversification of energy sources to increase the country's energy security and independence. To achieve these goals, the Group has outlined an ambitious roadmap to double its installed capacity, focusing mainly on the development of photovoltaic and wind power plants.

In line with the CVA Group's target of reaching 1+ GW of installed wind and solar capacity by 2029, the Strategic Plan envisages the installation of +720 MW of additional capacity throughout Italy. The expected technological mix includes 48% of the installed capacity in hydroelectric, 35% in photovoltaic, 5% in agrivoltaic and 12% in onshore wind. The incremental contribution to the energy transition is estimated at around 2 million tonnes of CO₂ avoided.

At the same time, an ambitious hydroelectric revamping project was initiated for a plant built in the 1920s (over 100 years old), aimed at building a new, safe and efficient plant for future generations. The revamping, due to be completed in 2028, will lead to +55 GWh/a of incremental energy.

The overall industrial strategy contributes significantly to the energy transition and strengthens CVA's position as one of the leading renewable energy producers in Italy.

Acquisitions

In 2024, CVA strengthened its diversification and resilience strategy through two significant acquisitions. In particular, it acquired a 60% controlling stake in SUNNERG GROUP S.r.l., a company specialized since 2018 in Engineering, Procurement and Construction (EPC) activities of plants for the production of electricity from renewable sources, operating as a general contractor and service provider in the B2B renewable energy market.

At the same time, through its subsidiary CVA EOS S.r.l., CVA finalised the purchase from Solar 2.0 S.r.l., part of the Solar Ventures group, of a portfolio of 18 photovoltaic projects totalling 59 MW, of which 22 MW are operational, 7 MW are under construction and 30 MW are under development.

These deals not only expand CVA's portfolio in the renewable energy sector, but also strengthen the company's resilience by diversifying production sources and increasing its contribution to climate change mitigation.

Zero-emission buildings

RTS Srl is carrying out an ambitious renovation project at its Montefiorino site, with the aim of transforming it into a carbon-neutral building. The building will be powered by a mix of sustainable technologies, including photovoltaic (PV) panels and a hydrogen fuel cell, solutions that will ensure an efficient energy supply with no direct environmental impact.

Adaptation to climate change

Climate Change Risk Assessment (CCRA)

With a view to mitigating risks arising from extreme weather events, chronic climate change and structural changes in climatic conditions, in 2023 CVA developed a Climate Change Risk Assessment (CCRA) model⁶, integrated into the company's Enterprise Risk Management (ERM).

The analysis of the most relevant climate risks is a crucial step to ensure the Group's resilience and business continuity. By identifying key vulnerabilities, CVA can assess the extent and nature of potential risks and define targeted adaptation strategies to mitigate their direct and indirect impacts.

These strategies include interventions to strengthen the capacity of physical assets to withstand the intensification of extreme weather events by optimising existing infrastructure and implementing innovative technologies. Advance planning also helps reduce economic impacts, such as extraordinary maintenance costs, production interruptions or increased insurance premiums, ensuring effective and sustainable management of climate risks.

For more information on climate risk analyses, please refer to SBM-3 [page 114](#) and IRO-1 [page 116](#) of this Chapter.

SottoZero: monitoring the evolutionary framework of the cryosphere

CVA constantly monitors the evolution of the cryosphere, with particular attention to the state of the glaciers in Valle d'Aosta, with a view to adapting to climate change and mitigating related risks.

Over the last century, dams have been an important outpost for monitoring remote environments such as high Alpine valleys and the snow-glacial environment. This allowed the measurement of temperature, rainfall, snow depth and flow rates as reference data for the analysis of the meteorological, climatic and hydrological evolution of the Alpine environment at high altitude.

Scientific and technological advancements have facilitated the creation of a relevant synthetic indicator that estimates the Snow Water Equivalent (SWE) water content in accumulated snow. This indicator is crucial for building models to predict snowmelt, forecast water supply to dams, and support the planning of hydroelectric energy production. Measurements are carried out in situ and by satellite techniques and are subsequently used in the construction of models of the accumulation and melting of the water equivalent in snow. Based on SWE estimates, in collaboration with the Regional Functional Centre, CIMA Foundation and ARPA VdA, CVA contributed to the creation of a modelling chain for flood forecasting which then evolved into a continuum model. In addition to the study of climate change impacts, this activity is functional for the hydraulic safety of plants and hydrological simulations. From 2021, the SottoZero infographic published by the Glacier Steering Committee, of which CVA is a member, promotes unambiguous and shared official information on the state of glaciers.

Since 1999, Valle d'Aosta has lost 32 glaciers, with an overall reduction in glacier surface area of 34 km², or 22% of the total surface area. Glacier fronts retreated by an average of 12.5 metres, while the ice mass balance was also negative in 2024, although ice loss was slightly lower than the average of the last twenty-three years. These data emerge from a study and monitoring carried out by CVA, which compares data from the last hydrological year with long-term averages. For over 15 years, the Group has collaborated with the Cabina di Regia dei Ghiacciai Valdostani (CRGV), a coordination platform between local authorities dedicated to the study of glaciers. This collaboration promotes synergies in scientific research and enables the dissemination of acquired knowledge, including through the publication of SottoZero, a regularly updated report analysing the evolution of the Valle d'Aosta cryosphere.

⁶ The scope of the analysis includes the assets of CVA S.p.A., CVA Energie, CVA EOS and Valdigne Energie.

Climate change mitigation

CVA and Cogne Acciai Speciali: a Memorandum of Understanding to reduce emissions

Also in 2024, CVA and Cogne Acciai Speciali (CAS) renewed their commitment to sustainability by signing a Memorandum of Understanding to reduce CO₂ emissions along the value chain. The agreement focuses on two key areas: the energy efficiency of the CAS industrial site and buildings, and the definition of advanced solutions for the supply of green energy.

Through its subsidiary CVA Smart Energy, CVA will conduct an in-depth energy audit of the CAS industrial site and buildings. The aim of the analysis will be to qualitatively and quantitatively assess energy consumption, subsequently identifying improved technological solutions and upgrading measures. These actions will allow CAS to optimize its energy performance, contributing to the reduction of emissions.

In parallel, in cooperation with CVA EOS, the two companies will work to create the necessary conditions for the conclusion of a *Power Purchase Agreement* (PPA) for the medium/long-term supply of green energy. This initiative also considers the possibility for CAS to participate in the *electricity release* procedure, a mechanism designed to incentivize large energy consumers to promote the construction of new generation capacity from renewable sources. A Power Purchase Agreement (PPA) is a medium- to long-term renewable electricity supply contract between a producer, who owns the generation plant, and a buyer.

The PPA is an essential tool to promote the energy transition: for companies, it facilitates the achievement of sustainability goals, guarantees savings on energy costs and protects against price fluctuations: for producers, it offers secure revenues and a predictable return on investment, incentivising the construction of new renewable plants and further investments in the sector.

The energy of the future: H2WAY2ZERO

With the aim of reducing CO₂ emissions along the value chain, CVA invests in projects in renewable hydrogen production. The H2WAY2ZERO project, born from the vision of CVA S.p.A. and CVA EOS S.r.l., represents a decisive step in this direction. Backed by the PNRR M2C2 inv. tender 3.1 'Hydrogen production in disused industrial areas' and funded by the European Union - NextGenerationEU, this project aims to bring innovation to disused industrial areas, redeveloping them into clean energy hubs.

H2WAY2ZERO envisages the construction of a 1 MW renewable hydrogen plant, powered by a 1.164 MW photovoltaic plant and a 1 MWh electrochemical storage system. This combination will ensure continuous and efficient production of hydrogen, a key element in decarbonising energy-intensive sectors such as local public transport.

The plant will be built in the former industrial area of Châtillon, while the connected wind farm will be located in the municipality of Saint-Denis. Once operational, by 2026, H2WAY2ZERO will have the capacity to produce up to 144 tonnes of hydrogen per year, significantly reducing CO₂ emissions and contributing to the sustainability goals of the European Green Deal.

The construction of Italy's first plant with 100% renewable modules

CVA Eos and Jinko Solar signed the commercial agreement that will allow the construction in Italy of the first photovoltaic park, made entirely with NeoGreen panels produced with 100% renewable energy.

The agreement is part of a long-standing non-exclusive business partnership, which has resulted in the contracting of 100 MW of photovoltaic panels over the past year, installed and in the process of being installed at several sites in northern and central Italy. The decision to use NeoGreen panels further reinforces the commitment of the Valle d'Aosta Group, a leader in the renewable energy sector, to pursue mitigation of the negative impacts of climate change throughout the entire production chain, including technological components.

JinkoSolar NeoGreen photovoltaic panels are made in factories that use 100% renewable energy and are certified Zero Carbon by TÜV Rheinland. Specifically, the certified 5GW JinkoSolar production line consists of the following factories in Leshan, Chuxiong and Shangrao for the production of ingots, wafers, cells and modules, respectively.

Energy Efficiency

Energy Efficiency activities: CVA Smart Energy

CVA Smart Energy, a Group company, is working to accelerate the energy transition by improving the efficiency and sustainability of residential buildings and accommodation facilities. Through tailor-made solutions and technologically advanced interventions, the company contributes to the reduction of energy consumption and emissions, in line with European and national climate targets.

In 2024, the Company continued its activity as General Contractor, managing interventions related to the Superbonus tax benefits, introduced in 2020 and subject to several legislative changes over the years. From the beginning of the efficiency enhancement operations in 2020, 138 clients were contracted, with 134 completed by December 2024.

Most of the interventions were carried out on apartment blocks, i.e. buildings consisting of at least 2 residential units. Although single-family buildings account for a less significant percentage of the interventions, energy efficiency remains a key objective for these structures as well. In addition to providing energy efficiency services for third parties, CVA is also involved in the renovation of its own real estate assets, confirming its active role in promoting sustainability.

Trigeneration

Also with the aim of reducing CO₂ emissions along the value chain and increasing the adoption of energy-efficient solutions, CVA is actively engaged in the field of trigeneration, an advanced cogeneration system that simultaneously produces electrical, thermal and cooling energy from a single primary energy source. Trigeneration is considered a highly efficient and sustainable energy solution, as it optimises the use of energy resources and minimises waste.

Through CVA Smart Energy, which includes the Energy Saving Companies (ESCo) RTS, RS Service and Nuova Energia, the Group carries out interventions to improve energy efficiency, assuming the risk of the initiative and sharing the savings generated with customers. Among the completed projects is the installation of a trigeneration plant in Bergamo, which has been operating successfully for about two years.

The CVd'A project

With the aim of contributing to the reduction of energy consumption and the improvement of energy efficiency, CVA launched the CVd'A project in collaboration with the Polytechnics of Milan and Turin for a preliminary study on the development potential of Residential Energy Communities (CERs) in 74 municipalities in Valle d'Aosta.

During the first phase, CVA supported the Valle d'Aosta Public Administrations in collecting data to calculate the energy load profiles of potential users, in order to have the necessary data for the pre-feasibility study of CERs. Currently, in the second phase of the project, the study has been extended to small and medium-sized enterprises and household profiles that have joined the initiative. This analysis aims to identify optimal aggregation solutions, evaluated both from an economic and environmental point of view, for the entire regional territory. Preliminary results show that an ERC consisting of a mix of private entities and companies generates a greater positive impact. The final output of the project will be a detailed analysis, which could be the starting point for new installations.

CVA Energie and Confindustria: an agreement for energy efficiency

With the aim of promoting energy efficiency in the region, Confindustria Valle d'Aosta and CVA Energie signed the *2023-2024 Agreement for the supply of electricity* to member companies.

The agreement, in line with previous collaborations undertaken with the Associazione Valdostana degli Albergatori (ADAVA) and the Chambre Valdôtaine, offers its members discounts on electricity supply in exchange for their commitment to undertake efficiency improvements in their premises. The benefits for businesses include reduced energy costs, reduced environmental impact, and an increase in the real estate value of facilities.

To ensure the success of the initiative, a technical round table will be set up comprising representatives of Confindustria VdA and CVA Energie/CVA Smart Energy. This group will define activities to be proposed to members, including energy audits, efficiency projects, guidelines to improve sustainability and environmental impact, and support to activate carbon footprint calculation paths. In addition, best practices for achieving ESG objectives, which are crucial for access to credit and finance, will be shared.

CapEx and OpEx

The CapEx and OpEx values for the listed stocks are comparable to the CapEx and OpEx values of the EU Taxonomy. For more information, please refer to the paragraph European Taxonomy [page 103](#).

[E1-4] Climate change mitigation and adaptation objectives

As part of the 'Positive Impact' pillar of the sustainability goals of the 2025-2029 Strategic-Industrial Plan, which aims to reduce emissions and protect the environment and natural resources, CVA has defined 3 medium-term and 1 long-term goals for the reduction of emissions, the maintenance of quotas for alignment with the EU Taxonomy (Reg. 2020/852), green energy production and sustainable mobility. Under the 'Future Proof' pillar, on the other hand, which aims to foster the security and resilience of CVA's assets, the Group has defined a medium-term goal to ensure a preventive approach to climate risks.

The process of defining the Plan's objectives involved direct interaction with internal and external stakeholders. For more information, please refer to ESRS 2 SBM-1 [page 82](#).

As part of the annual reporting, in order to ensure that performance is monitored and room for improvement is identified, the Executive Board plays a key role in monitoring progress on the Group's objectives.

Carbon Neutral CVA

In order to reduce CO₂ emissions along the value chain and mitigate the risks of regulatory non-compliance and reputational risks associated with emission calculation and reduction obligations, CVA commits to a strategy of zeroing its Scope 1, 2 and 3 emissions certified according to the Science-Based Target initiative (SBTi) guidelines by 2025. In 2024, CVA laid the foundations of the exercise by defining a baseline of Scope 3 emissions.

Target	Perimeter	2023 Baseline	2024 Results	2025 Objective
Reducing emissions	All Group activities	Scope 1 and 2: 1,594 Tons CO ₂ Market Based and 4,506 Tons CO ₂ Location Based	Definition of a Scope 3 baseline (438,311.094 Ton CO ₂)	Define a zero emission strategy for Scope 1, 2 and 3 that can be certified according to the Science-Based Target initiative (SBTi) guidelines

For more information on the methodology used to calculate the Scope 3 emissions, please refer to E1-6 [page 125](#).

Alignment to EU Taxonomy

To ensure the continuity of its contribution to climate change mitigation goals and to guarantee easy access to sustainable finance, CVA aims to maintain a 100% alignment of eligible turnover, CapEx and OpEx values of hydroelectric, photovoltaic and wind power plants.

Target	Perimeter	2021 Baseline	2024 Results	2025 Objective
Maintaining alignment on eligibility	All Group production activities	100% alignment on eligibility	<ul style="list-style-type: none"> Eligible RES turnover not aligned 0.1% Capex RES: eligible not aligned 41.4 % Opex RES: eligible not aligned 0.04 %⁷ 	Maintain 100% alignment on the eligibility of turnover, CapEx and OpEx of RES plants (hydro, photovoltaic and wind).

For more information, please refer to the paragraph European Taxonomy [page 103](#).

⁷ The eligibility and alignment values in 2024 do not match due to the Group's corporate expansion. In fact, the new companies in the scope, despite meeting the requirements of substantial contribution to the climate change mitigation objective, have not yet been included in the TCFD climate risk analysis, which certifies compliance with the DNSH for the climate change adaptation objective.

Renewable sources

In order to contribute to the national energy mix, consolidate its position as Italy's leading renewable operator and continue its industrial and technological diversification path, CVA aims to reach 2 GW of pure green installed capacity by the end of 2029.

Target	Perimeter	2023 Baseline	2024 Results	2029 Objective
Increase in pure green installed capacity	Group	1,150.1 MW of renewable installed capacity	+121.2 MW	2 GW of installed renewable power (+804 MW)

Prevention of climate risks

With the aim of carrying out an analysis of climate risks and opportunities on CVA's assets according to the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD), with a specific focus on the hydroelectric sector, in 2024, CVA proceeded to integrate the climate risk assessment with Enterprise Risk Management.

Target	Perimeter	2023 Baseline	2024 Results	2026 Objective
Integration of climate risks	Group	Lack of TCFD and definition of the hydrological perimeter	Integrating climate risks with Enterprise Risk Management	Integration of climate risks with Enterprise Risk Management (ERM)

Sustainable mobility

CVA aims to finance 13 electric buses by 2026, through a strategic partnership with the local transport company, in order to promote sustainable mobility in the region.

Target	Perimeter	2024 Baseline	2025 Results	2026 Objective
Bus financing for sustainable mobility	CVA S.p.A.	0 electric buses funded	Finalization of the partnership with the local transport company	Funding for 13 electric buses

[E1-5] Energy consumption and energy mix

In 2024, the CVA Group's energy consumption was approximately 43,975 MWh, with 58% coming from renewable sources and the remaining 42% from fossil fuels.

	U.d.m.	2024
37. Total energy consumption	MWh	43,974.682
TOTAL ENERGY CONSUMPTION	MWH	43,974.682

2024		
37a. Energy consumption from non-renewable sources	U.d.m.	MWh
i. Stationary combustion		
Coal and coal products	MWh	-
Crude oil	MWh	-
Natural gas (including heating and co/trigeneration)	MWh	9,547.716
LPG	MWh	641.993
Gasoline	MWh	1.300
Diesel	MWh	1,660.283
ii. Car fleet		
LNG (Liquefied Natural Gas)	MWh	-
CNG (Compressed Natural Gas)	MWh	0.154
Gasoline	MWh	870.800
Diesel	MWh	2,845.252
iii. Consumption of purchased or acquired energy		
Electricity from fossil fuels ⁸	MWh	2619.303
Heat from fossil fuels	MWh	82.242
Steam from fossil fuels	MWh	-
Cooling from fossil fuels	MWh	-
TOTAL ENERGY CONSUMPTION FROM NON-RENEWABLE SOURCES	18,269.043	21.55%
% OF FOSSIL FUELS IN TOTAL CONSUMPTION		42%

2024		
37b. Total energy consumption from nuclear sources	U.d.m.	MWh
Nuclear	MWh	120.554
SHARE OF NUCLEAR SOURCES IN TOTAL ENERGY CONSUMPTION (%)	%	0.27%

2024		
37c. Energy consumption from renewable sources	U.d.m.	MWh
i. Stationary combustion		
Biofuel	MWh	14,782.492
ii. Car fleet		
Biofuel	MWh	258.374
iii. Consumption of purchased or acquired energy		
Electricity from renewable sources (with Guarantee of Origin)	MWh	9,457.039
Heat from renewable sources	MWh	1,087.180
Steam from renewable sources	MWh	-
Cooling from renewable sources	MWh	-
TOTAL ENERGY CONSUMPTION FROM RENEWABLE SOURCES	25,585.085	21.55%
% OF FOSSIL FUELS IN TOTAL CONSUMPTION		58%

⁸ The value excludes energy consumption from nuclear sources

During the year, CVA self-produced over 6,950 MWh of electricity from non-renewable sources and over 3,607,967 MWh of electricity from renewable sources from its own plants.

2024		
39. Energy production	U.d.m.	MWh
Natural gas	MWh	1,137.097
Diesel	MWh	220.720
Electricity cogeneration	MWh	2,897.669
Thermal energy cogeneration	MWh	2,695.073
PRODUCTION OF NON-RENEWABLE ENERGY		6,950.559
Hydroelectric energy	MWh	3,220,471.014
Solar energy	MWh	119,676.565
Wind energy	MWh	261,405.106
Wood chips and biogas cogenerator heat	MWh	4,600.880
Pellets	MWh	1,813.900
PRODUCTION OF RENEWABLE ENERGY		3,607,967.465

2024		
40;41;42;43. Energy intensity based on net revenue	U.d.m.	MWh
Energy intensity associated with activities in sectors with high climate impact ⁹	MWh/mln euro	31.97
NET REVENUES	€	1,374,244,826

[E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions

For 2024, CVA's total GHG emissions are composed as follows:

- Scope 1: 3,841.058 tCO₂eq, resulting from direct emissions linked to stationary combustion, mobile combustion and the consumption of non-renewable fuels;
- Scope 2 (location-based): 4,050.070 tCO₂eq, calculated on the basis of the average energy mix of the supply network;
- Scope 2 (market-based): 1,387.300 tCO₂eq, reflecting actual emissions based on energy purchases from specific sources;
- Scope 3: 438,311.094 tCO₂eq, resulting from activities carried out along the entire value chain.

⁹ The scope of the information is CVA S.p.A..

			2024	
48a. Scope 1 gross GHG emissions	U.d.m.	tCO ₂ eq		
Stationary combustion	tCO ₂ eq	194.201		
Biofuel - pellets	tCO ₂ eq	80.914		
Biofuel - wood chips	tCO ₂ eq	113.287		
Mobile combustion	tCO ₂ eq	16.560		
Biofuel	tCO ₂ eq	16.560		
Process emissions	tCO ₂ eq	-		
Fugitive emissions	tCO ₂ eq	150.000		
Consumption of non-renewable fuels	tCO ₂ eq	3,480.300		
Stationary combustion	tCO ₂ eq	2,504.310		
Natural gas (including heating and co/trigeneration)	tCO ₂ eq	1,911.555		
LPG	tCO ₂ eq	152.215		
Gasoline	tCO ₂ eq	1,660.283		
Diesel	tCO ₂ eq	440.210		
Mobile combustion	tCO ₂ eq	975.990		
CNG (Compressed Natural Gas)	tCO ₂ eq	0.031		
Gasoline	tCO ₂ eq	221.561		
Diesel	tCO ₂ eq	754.394		
Emissions of other types of GHGs (e.g. CH₄, N₂O)	tCO ₂ eq	-		
TOTAL SCOPE 1 GROSS GHG EMISSIONS		3,841.058		

	U.d.m.	2024
Biogenic emissions	U.d.m.	MWh
BIOGENIC CO ₂ EMISSIONS FROM COMBUSTION		0
BIOGENIC CO ₂ EMISSIONS FROM BIOMASS BIODEGRADATION		0

			2024	
49a. Scope 2 gross GHG emissions based on location	U.d.m.	tCO ₂ eq		
Electricity	tCO ₂ eq	3842.020		
Steam	tCO ₂ eq	-		
Heat	tCO ₂ eq	208.050		
Cooling	tCO ₂ eq	-		
Emissions of other types of GHGs (e.g. CH ₄ , N ₂ O)	tCO ₂ eq	-		
TOTAL SCOPE 2 GHG GROSS EMISSIONS BASED ON LOCATION		4,050.070		

2024		
49b. Market-based Scope 2 GHG gross emissions	U.d.m.	tCO2eq
Electricity	tCO2eq	1,372.670
Steam	tCO2eq	-
Heat	tCO2eq	14.630
Cooling	tCO2eq	-
Emissions of other types of GHGs (e.g. CH4, N2O)	tCO2eq	-
TOTAL MARKET-BASED GROSS SCOPE 2 GHG EMISSIONS		1,387.30

2024			
51. Gross indirect GHG emissions (Scope 3)	U.d.m.	tCO2eq	
Cat. 1: Purchased goods and services	tCO2eq	100,473.636	22.92%
Cat. 2: Capital goods	tCO2eq	17,092.562	3.90%
Cat. 3: Fuel and energy-related activities	tCO2eq	312,170.000	71.22%
Cat. 6: Business trips	tCO2eq	40.990	0.01%
Cat. 7: Employee home-work commutes	tCO2eq	624.591	0.14%
Cat. 15: Investments	tCO2eq	7,909.315	1.80%
TOTAL SCOPE 3 EMISSIONS		438,311.094	100.00%

Relevant Scope 3 emission categories

Category 1: Purchased goods and services

This category includes emissions from goods and services purchased by CVA during the reporting year. The *spend-based* method was used for all calculations for this category. The calculation method varies for the specific subsidiary depending on the availability of data and information on purchases made. The calculation was performed by aggregating the results obtained with three different methods:

- **CVA, RS Service, Sunnerg:** All purchase items were reclassified into broader categories, aggregating their amounts. The most appropriate spend-based emission factor was then applied to each one.
- **Deval:** the method used for CVA, RS Service and Sunnerg was applicable to 83% of Deval's purchase items. It was then assumed that the conversion result represented 83% of total emissions, the remaining 17% was therefore calculated by difference, assuming an emission intensity per euro equal to that calculated directly.
- **RTS:** it was not possible to divide the amounts by individual purchase items, but only by the relevant supplier. The total expenditure per supplier was then multiplied by the industry-average emission factor related to the appropriate NACE rev. 2 code. For the calculation, most of the RTS suppliers were considered, amounting to 75% of the Company's total purchases. The same method used for DEVAL was then used to calculate the total associated emissions.
- **Nuova Energia:** the most appropriate spend-based emission factor was applied to all purchase items.

All factors *spend-based* factors, both those relating to individual purchases and those relating to suppliers, were obtained from the EXIOBASE database.

Category 2: Capital goods and assets

This category includes upstream emissions from the production of capital goods and capital assets purchased or acquired by CVA. Emissions were calculated using the spend-based method, applying emission factors to expenditure data from the company's asset book for the reporting year. The emission factors were obtained from the EXIOBASE database, with specific values for the identified categories of capital goods.

Category 3: Fuel and energy-related activities

The category includes emissions related to the production of fuels and energy purchased and consumed by CVA in the reporting year that are not included in Scope 1 or 2. CVA produces and sells electricity to its customers. The category is therefore relevant in the GHG Protocol specification 'production of electricity sold to end consumers', and contributes to the majority of total Scope 3 emissions. In the calculation, the total energy produced and sold in 2024 was quantified by the competent corporate function and then multiplied by the emission factor for electricity consumption, provided by ISPRA (2024).

Category 6: Business trips

This category includes emissions from the transport of employees for company business in company-owned or third-party operated vehicles, such as aeroplanes, trains, buses and cars. For each business trip made by CVA employees by plane and train during 2024, the corresponding mileage was extracted, which was then converted into the resulting emissions considering the emission factor provided by Trenitalia (2023) for train trips and by DEFRA (2024) for plane trips.

Category 7: Employee home-work commutes

This category includes emissions from the transport of employees between their home and place of work. Emissions from employee commuting can result from: car travel and bus travel. During 2024, the HR department identified the number of employees who needed to travel to a municipality other than their place of residence to work at CVA. Hence, the % of these who travel by their own means or by public transport was estimated. The kilometres they have to travel (the distance between their home and place of work) were then identified and multiplied by the emission factors corresponding to their preferred means, using Trenitalia (2023) for train journeys and DEFRA (2024) for car journeys.

Category 15: Investments

This category includes issues associated with CVA investments in the reporting year, not already included in Scope 1 or 2. The calculation was performed using the spend-based methodology, allocating to CVA the emissions from its participation in the subsidiaries with the spend-based emission factors associated with the relevant NACE code extracted from the EXIOBASE database.

Non-relevant Scope 3 emission categories

Target	Relevance
Category 4: Transportation and upstream distribution	CVA and consolidated companies do not make significant use of production inputs that need to be transported to operating locations.
Category 5: Waste generated by business activities	Due to the nature of the CVA Group's activity, waste production is marginal and, therefore, not relevant.
Category 8: Leased assets	During 2024, CVA and the consolidated companies did not acquire any significant leased assets. Therefore, the category was deemed not relevant.
Category 9: Transportation and downstream distribution	The activities of CVA and the consolidated companies do not involve the transport and distribution of the products sold.
Category 10: Processing of products sold	The activities of CVA and the consolidated companies do not include the sale of intermediate goods requiring further processing by third parties.
Category 11: Use of products sold	The Group's activities do not include the sale of products that consume energy or fuel during use. Moreover, CVA does not market gas.
Category 12: End-of-life treatment of products sold	The activities of CVA and the consolidated companies do not include the sale of products requiring end-of-life treatments that may generate greenhouse gas emissions.
Category 13: Assets offered for lease	The activities of CVA and the consolidated companies do not include the offering of leasing products.
Category 14: Franchising	CVA and the consolidated companies do not operate through franchises.

		2024
52. Total GHG emissions	U.d.m.	tCO2eq
TOTAL LOCATION-BASED GHG EMISSIONS		446,202.220
TOTAL MARKET-BASED GHG EMISSIONS		443,539.450

		2024
53. GHG intensity based on net revenue	U.d.m.	tCO2eq/ mln euro
TOTAL GHG EMISSIONS (LOCATION-BASED) VERSUS NET REVENUE		324.69
TOTAL GHG EMISSIONS (MARKET-BASED) VERSUS NET REVENUES		322.75
NET REVENUES ¹⁰	€	1,374,244,826

ESRS E3 - WATER

[IRO-1] Description of the processes for identifying and assessing relevant water-related impacts, risks and opportunities

ESRS	Description	Value chain	Time horizon
E3 - Water Water withdrawals Water discharges	Risks	Own operations	Short and medium term

Water represents a fundamental resource for the CVA Group as the primary source of hydroelectric production. The risks identified through the risk-assessment process are related to changes in the flow regime and drought events linked to climate change and the consequent, potential, increased competition regarding the multiple use of water resources, as well as regulatory changes governing environmental release obligations (Ecological Runoff) and requiring a process of production adjustment. The water resource, however, is not negatively impacted by hydropower production, as 100% of the water withdrawn is turbined for production activities and entirely returned to the environment without qualitative or quantitative alterations. Furthermore, the production of electricity from renewable sources such as sun and wind through photovoltaic and wind power assets does not require the use of water resources. The issue of water therefore does not constitute an environmental risk, it may however constitute a business risk in relation to the variability of flow rates.

The business continuity risks associated with changes in the flow regime and the prolonged absence of rainfall have been assessed on the basis of accredited scientific scenarios (IPCC) that estimate the increase and frequency of extreme climate events, such as periods of drought. Chronic variations in the rainfall regime could also lead to changes in the temporal distribution and volume of flow rates, with consequent effects on energy production. The majority of the CVA group's hydroelectric production comes from flowing plants and reservoir plants without a seasonal water reserve modulation capacity. The operation of these plants is therefore strictly dependent on the flow regime and is therefore vulnerable during prolonged periods of low rainfall. Reservoir systems, and in part those located downstream of them, can instead limit the effects of the phenomena described, mitigating the extent of the risk.

¹⁰ Net revenue can be reconciled with the item 'REVENUES FROM SALES AND SERVICES' in the financial statements.

The analysis of possible impacts, risks and opportunities was conducted with the involvement of the corporate functions responsible for hydroelectric production, together with Enterprise Risk Management. The issues underlying the management of the identified risks have been monitored by the company for some time, also through participation in technical study roundtables that see the scientific contribution of the regional Functional Centre, ARPA Valle d'Aosta, the Cima Foundation of Savona and the Montagna Sicura Foundation. As regards the involvement of stakeholders, CVA regularly participates in various working tables on the 'water' issue both locally, in the Valle d'Aosta region, and nationally, bringing its own point of view on the issues dealt with and acquiring ideas from the other bodies involved. CVA is also a member of the Cabina di regia dei Ghiacciai, participates in a regional Convention for "the prevention of floods, the evaluation of water resources and the analysis of the impact of climate change on the hydrological cycle" and has been involved in the updating process of the Regional Water Protection Plan. Finally, the company participates in specific regional technical tables relating to Ecological Runoff, whose work has given rise to new methods also applied in other Italian regions, and in working groups with other diverters and irrigation consortia on the management of water resources in particularly critical cases. At the district level, it participated in the consultation for the Management Plan of the Po River Hydrographic District – PdGPO – 2021, and collaborates with the hydrographic district offices in case of water severity.

[E3-1] Water-related policies

Integrated Quality, Safety and Environment Policy

CVA has adopted the **Integrated Quality, Safety and Environment (QSA) Policy** which outlines the Group's commitment to the efficient and sustainable management of water resources together with the protection and preservation of the environment. In line with the international standard UNI EN ISO 14001:2015 for environmental management, CVA identifies and assesses the environmental impacts on water, promoting the efficient use of resources, reduction of waste and strict compliance with current regulations. *For more information, please refer to E1-2 page 117.*

With regard to hydroelectric plants, CVA implements the mitigation and monitoring measures provided for by the Water Protection Plan in force in the Autonomous Region of Valle d'Aosta. All watercourses under the hydroelectric plants comply with the environmental objectives defined by the Water Framework Directive, as highlighted by the monitoring carried out by ARPA Valle d'Aosta as part of the Management Plan of the Po River Hydrographic District. Moreover, for the possible construction of new hydroelectric power plants, CVA performs the Environmental Impact Assessments (EIA) required by Regional Law 12/2009. These assessments allow to analyze the potential environmental impacts of projects and to define the mitigation and monitoring measures necessary to safeguard the aquatic environment and ensure the maintenance of the good status or potential of water bodies.

[E3-2] Water-related actions and resources

All actions taken refer to the CVA sites where the Group operates hydroelectric plants, located only in Valle d'Aosta, an area classified as medium water risk¹¹.

Water resource management

On an annual basis, the CVA Group adopts a series of actions aimed at water risk management, involving the entire value chain upstream and downstream of hydroelectric activities and extending to the entire Valle d'Aosta region, where most of the plants are concentrated. Specifically, these include:

- the development and use of an optimization model to support the scheduling of hydroelectric plants, applied to the Group's entire plant portfolio;
- monitoring and forecasting hydrological inputs, in collaboration with ARPA Valle d'Aosta, through parameters such as the Snow Water Equivalent. This activity is essential to anticipate the evolution of hydrological conditions and particularly concerns mountain areas subject to snow accumulation and melting;
- the development of the Climate Change Risk Assessment, with a specific focus on the hydropower sector, elaborated according to the guidelines of the Task Force on Climate Financial Disclosure (TCFD). This analysis involved the Risk Management Team and all internal functions, and is aimed at assessing long-term climate risk scenarios;

¹¹ Acqueduct, Water Risk Atlas, 2025

- the diversification of the business model through the development of new photovoltaic and wind power assets, located throughout the country, allowing for a reduction in dependence on water and mitigating exposure to climate risks. This approach affects the downstream value chain, strengthening the continuity of energy supply to end customers.

In 2024, the revamping and repowering project of the Hône II power plant continued, aimed at optimising the use of water resources and increasing hydroelectric power production by around 50 GWh per year. Started in 2024, the project will be completed by 2028. The additional renewable energy produced will contribute to the achievement of the Valle d'Aosta region's energy targets.

In full compliance with the concessions, the CVA Group keeps track of the amount of water withdrawn annually, calculated by means of hydroelectric production metres installed at the power stations. The collected data is then converted into a water withdrawal value using plant-specific conversion coefficients. These take into account factors such as the height of the drop, the water flow (flow rate), the gravity coefficient and the efficiency of the installed turbines. CVA has always been careful to ensure full compliance with these parameters, therefore avoiding sanctions and reputational damage resulting from non-compliance with water release regulations.

[E3-4] Water consumption

In 2024, CVA withdrew a volume of water equal to 12.8 billion m³, coming from surface water. Since the water withdrawn, once turbined, is totally returned to the watercourse, water consumption in hydropower generation is zero¹².

2024		
28a-d. Water consumption	U.d.m.	2024
Total water consumption	m ³	0
Water consumption in areas at water risk, including those with high water stress	m ³	0
Total volume of recycled and reused water	m ³	0
Total volume of water stored and related changes	m ³	0

2024		
29. Water intensity	U.d.m.	2024
Total water consumption	m ³	0
Net revenue ¹³	€	1,374,244,826
Water intensity	m ³	0

A renewed alliance to monitor water risks

Located along watercourses, CVA plants are exposed to the risks of hydrogeological instability and potential flooding, dangers that affect plant operators and the populations living near them. For this reason, monitoring these risks and analyzing the connections between rising temperatures and the availability of Alpine reservoirs are a priority for the Group. This goal is pursued through the development and improvement of tools and algorithms to refine hydrological modelling.

Since 2022, CVA has been participating in a renewed Convention for Flood Forecasting, Water Resource Assessment and Climate Change Impact Analysis on the Hydrological Cycle, signed together with the Valle d'Aosta Region, ARPA Valle d'Aosta, CIMA Foundation and Montagna Sicura Foundation. Activities directly involving CVA include the evolutionary maintenance and development of the modelling chain for estimating the *Snow Water Equivalent (SWE)* - the amount of water that would be obtained if all the snow in a given area were to melt instantly - on a regional basis, in order to manage the water resource and predict floodings.

Other interventions include the evolutionary maintenance of the system for the probabilistic forecasting of floods, the *multipurpose* implementation of the Continuum model at regional scale, the analysis of the impact of climate change on the hydrological cycle, the analysis of water resource availability and drought indices.

¹² Water consumption is calculated as the difference between the volumes of water withdrawn and those discharged, i.e. returned to the environment.

¹³ Net revenue can be reconciled with the item 'REVENUES FROM SALES AND SERVICES' in the financial statements.

[E3-3] Water-related objectives

As part of the 'Positive Impact' pillar of the sustainability goals of the Strategic-Industrial Plan, which aims to reduce emissions and protect the environment and natural resources, CVA has defined a voluntary short-term goal for the sustainable management of the water resource. The objective helps mitigate potential business continuity risks arising from chronic variations in flow regimes and drought events. As regards the risk of non-compliance with water release regulations, it is guarded both by total compliance with the regulations, which historically see the absence of sanctions in this regard, and by CVA's continuous participation over time in the regional consultation tables regarding the enactment of the Ecological Runoff standard. This participation also allowed CVA to pioneer new methodologies that were later recognised by national guidelines.

The process of defining the Plan's objectives involved direct interaction with internal and external stakeholders. For more information, please refer to SBM-2 [page 87](#).

Balance and sustainability of withdrawals

In order to mitigate the Business Continuity risks due to chronic variations in flow regimes and drought events, CVA is committed to promoting an approach to water resource management that also takes into account the impact of the Ecological Runoff regulations. To this end, it constantly monitors the natural flow of watercourses and river ecosystems.

In order to reconstruct sufficiently long hydrological series at the intake works, useful for the optimisation of the quantities of Ecological Runoff to be released, CVA participated in the implementation and refinement of the Continuum hydrological model developed by the CIMA Foundation. The model was able to reconstruct the time series of natural runoff in watercourses over a 13-year period - from 2008 to 2021 - based on regional meteorological observations (e.g. precipitation, air temperature, relative air humidity, wind speed, snowpack height and incident solar radiation). The analysis involved 30 river sections corresponding to as many intake works. Once the hydrological modelling analysis of the intake works was completed, the environmental indicator (MesoHABSIM method) recognised by the national guidelines was applied to all the stretches subtended by the intake works, and the best compromise scenario was identified to ensure the greatest possible protection for the environment, landscape, renewable energy production and economic sustainability of the releases. The Ecological Outflow was presented by the technical table at the end of 2024 and submitted for regional approval.

ESRS	Description	Value chain	Time horizon
Sustainable water use	CVA S.p.A. (Hydro BU)	Study on water resource protection and maintenance of river ecosystems	Optimisation of water resource use with respect to environmental protection and Ecological Run-off

ESRS E4 – BIODIVERSITY AND ECOSYSTEMS

[SBM-3] Relevant impacts, risks and opportunities and their interaction with the strategy and business model

CVA is committed to protecting biodiversity and ecosystems in the areas where it operates by adopting a systematic approach to analysing and monitoring potential environmental impacts. For each operational site, a structured assessment of the environmental aspects is conducted according to an internal procedure, which includes the analysis of land consumption and potential effects on fauna and flora, including in the surrounding sensitive areas. For renewable energy production, the CVA Group has 32 hydroelectric plants, 9 wind power plants and 60 photovoltaic plants.

Among the Group's activities, those that negatively affect biodiversity-sensitive areas are those related to photovoltaic plants. This is due to their land-intensive nature, which by definition involves land consumption during construction. On the other hand, the Group found no significant negative impacts in relation to soil degradation, desertification or soil sealing, nor significant effects on endangered species.

[IRO-1] Description of processes for identifying and assessing relevant impacts, risks and opportunities related to biodiversity and ecosystems

ESRS	Description		Value chain	Time horizon
E4 - Biodiversity and Ecosystems Factors with direct impact on biodiversity loss	Negative impacts	Potential impacts on land consumption related to the construction of photovoltaic plants	Own operations	Long term
	Risks	Costs and potential reputational risks related to land consumption for the construction of photovoltaic plants	Own and downstream operations	Short and long term

The negative impacts and risks related to biodiversity identified are related to land consumption associated with the construction of photovoltaic plants, an activity central to CVA's business model and strategy. The risks - in particular - do not stem from specific dependencies related to biodiversity and ecosystems. *For more information on sites located in or near biodiversity-sensitive areas, please see E4-5 page 136.*

IROs were identified through a structured process integrating different sources of analysis. On the one hand, impacts were identified on the basis of previous years' reporting through impact materiality mapping. On the other hand, risks were defined considering the risks detected in the company's ERM. In particular, the IROs that emerged as material are further confirmed in the strategic directions of the Industrial Plan, which envisages significant investments in the photovoltaic sector. Being a land-intensive technology by definition, it entails potential risks and impacts related to land consumption. During the year, the Group did not conduct consultations with affected communities on sustainability assessments of shared biological resources and ecosystems.

[E4-1] Transition plan and focus on biodiversity and ecosystems in strategy and business model

CVA proves to be resilient with respect to potential negative impacts and environmental risks related to the development of its plants, particularly with respect to biodiversity and ecosystems. This resilience is based on a strong system of regulatory compliance and a prevention-oriented approach to environmental impacts.

The economic and reputational risk associated with the consumption of land for the construction of plants is in fact closely linked to the potential impacts on biodiversity, which are already regulated by regulations that require a prior assessment before work begins. This ensures that any negative effects are mitigated at the design stage, significantly reducing the likelihood of such impacts occurring.

In particular, for each new plant, CVA conducts an Environmental Impact Assessment (EIA), as required by National Law 152/2006 and, in particular for plants located on the regional territory, by Regional Law 12/2009. The environmental impact assessment analyzes in advance all possible interactions with the natural environment, with particular attention to the protection of biodiversity. The authorization phase includes a discussion with stakeholders, aimed at thoroughly evaluating the potential impacts on biodiversity and identifying any measures to be adopted *ante operam*, that is, before the construction of the plants.

CVA's resilience is evident in its own operations related to the development of new plants, with a specific focus on photovoltaic plants, which by their nature imply greater land consumption.

[E4-2] Biodiversity and ecosystem policies

Environmental Impact Assessment (EIA)

In order to mitigate potential impacts related to land consumption resulting from plant construction and the associated economic and reputational risks, carrying out an Environmental Impact Assessment allows CVA to identify in advance any potential impacts on biodiversity and to define related mitigation and monitoring measures. The purpose of environmental assessment is to ensure that projects are compatible with respect for the regenerative capacity of ecosystems and the preservation of biodiversity.

Integrated Quality, Safety and Environment Policy (QSA)

Regarding the protection of biodiversity and ecosystems, the CVA Group has adopted the Integrated Quality, Safety and Environment (QSA) Policy as a guideline to address potential negative impacts and risks related to biodiversity.

Within the framework of the Integrated Quality, Safety and Environment (QSA) Policy, the CVA Group is committed to taking an active role in protecting biodiversity in the conduct of its activities, taking all appropriate measures to prevent pollution and intensive land use.

In the case of practices that may involve land use or deforestation, all activities are managed with specific authorisations issued by the competent authorities. *For more information, please refer to E1-2 [page 117](#).*

Other documents

The Environmental Significance Document maps areas of interest, identifying operational areas that are close to natural habitats, protected reserves or other areas of high ecological significance. In addition, it defines the operating methods to be adopted at the sites, providing specific guidelines to minimise the potential impacts of the company's activities.

In contrast, activities related to land use and deforestation are managed through specific authorisations by the competent authorities.

[E4-3] Actions and resources related to biodiversity and ecosystems

Impacts on river habitat

CVA's hydroelectric works are located in a context characterised by the presence of rich local flora and fauna, which are closely dependent on river and lake ecosystems. In operating its plants, the Group acts in compliance with European environmental legislation for the protection and restoration of European rivers and lakes (Directive 2000/60/EC). This also applies to sites located in protected areas, such as parks, Special Protection Areas (S.p.A.s) and Sites of Community Importance (SCIs).

For this reason, in partnership with the Polytechnic University of Turin, CVA is engaged in a study aimed at defining the levels of impact on the river habitat as a function of the hydroelectric plant enhancement options and the optimisation of the water resource; the study will assess the minimum habitat thresholds that can be tolerated by the fish fauna, considering all possible durations and frequencies.

With reference to the mitigation hierarchy, the initiative aims to minimize the impact of the Group's works on biodiversity.

Protection of land consumption for plants

In order to mitigate the negative impacts and risks associated with land consumption for the construction of plants, and in line with the objective of increasing the installed power from renewable sources, CVA adopts design solutions oriented towards identifying opportunities to reduce or avoid the consumption of new land, favouring interventions on areas already compromised or characterised by compatible uses, such as agriculture.

Many of the photovoltaic projects promoted by CVA EOS incorporate innovative strategies, such as the reuse of brownfield sites or the construction of agri-voltaic plants. During 2024, two projects in particular were concrete examples of this approach.

The first is the Cave Podere Stanga plant, for which CVA obtained a positive opinion from the Ministry of the Environment and Energy Security (MASE) as part of the Environmental Impact Assessment (EIA). The project envisages the installation of about 64,000 floating photovoltaic modules in the municipality of Piacenza, on a partial area of an artificial basin resulting from previous mining activities, with a total capacity of 30.6 MW. In addition to giving new life to an environmentally and ecologically compromised area, this type of plant allows for optimised energy performance due to the cooling effect of water, containing the environmental impact on lake ecosystems and the uncontrolled spread of alien and invasive species.

The second intervention was carried out at Cava Toppetti, in the municipality of San Giorgio Canavese (TO), a disused and reclaimed former clay quarry, which covers about 17 hectares. The new photovoltaic plant, with a capacity of 11 MWp and an estimated production of more than 18,600 MWh/year - equal to the needs of about 5,700 households - is an effective example of the integration of renewable production and environmental redevelopment of compromised areas. The construction of the plant included specific reforestation of the quarry, including under the panels and in the neighbouring areas, with the involvement of landscape architects and agronomists: 2,200 plants were planted over an area of approximately 2.5 hectares and 9,000 mitigation hedges, giving priority to the preservation of native species. With reference to the mitigation hierarchy, the intervention at Cava Podere Stanga is aimed at minimising the impact of the plants built on biodiversity, while the activity carried out at Cava Toppetti contributes to the restoration of ecosystems through reforestation interventions.

[E4-4] Biodiversity and ecosystems targets

As part of the 'Positive Impact' pillar of the sustainability objectives of the Strategic Industrial Plan, which aims to reduce emissions and protect the environment and natural resources, CVA has defined 2 medium-term and 1 long-term goals to mitigate impacts and risks related to land and biodiversity, in particular generated by land consumption for the construction of photovoltaic plants. The process of defining the Plan's objectives involved direct interaction with internal and external stakeholders. *For more information, please refer to SBM-1 [page 82](#).*

The Board is responsible for monitoring and supervising the objectives of the industrial plan.

Compensation and reforestation

To contribute to the sustainable management, conservation and restoration of ecosystems, CVA aims to participate in compensation and reforestation projects at national and international level. In 2024, the Group achieved its goal by collaborating with Up2You in the realisation of two nature-based projects: Val Dogà, in the Venetian Lagoon, and Valle Cà Pisani, in the Veneto Regional Natural Park of the Po Delta. Both interventions are Blue Carbon projects, aimed at the protection of coastal ecosystems and local biodiversity, including native species and plants that are fundamental to the environmental balance.

Target	Perimeter	2021 Baseline	2024 Results	2026 Objective
Participation in compensation and reforestation projects	Group	No participation in compensation and/or reforestation projects	Group events offset by two NBS projects in the Venice lagoon, impacting the biodiversity of flora and fauna	Selection and participation in offsetting and reforestation projects nationally and internationally

Agrioltaics and photovoltaics

To mitigate the impacts and risks related to land consumption for plant construction, CVA Eos obtained authorisation for the construction of a floating photovoltaic plant in the municipality of Piacenza. The project, which includes the installation of a 30 MW park, contributes to the development target of 150 MW of floating agrioltaic and photovoltaic plants by 2030.

Target	Perimeter	2021 Baseline	2024 Results	2030 Objective
Installation of agrivoltaics and photovoltaics	CVA Eos	No agrivoltaics project	30 MW floating	Development of 150 MW of agrivoltaics and floating photovoltaics

Collaborations for agrivoltaics

As part of the path of industrial and technological diversification and with the aim of minimising land occupation, CVA proposes to collaborate with research and academic institutions on joint studies and the definition of shared standards on agrivoltaics, and plans to implement a pilot project by 2025.

Target	Perimeter	2021 Baseline	2024 Results	2025 Objective
Collaboration for the definition of agrivoltaic studies and standards	CVA Eos	No agrivoltaics projects/collaborations	-Start of the authorisation process for the 100 MW 'Jolanda di Savoia' agrivoltaic project located in the province of Ferrara. - Feasibility study of further agrivoltaic projects and start of authorization procedures for further projects, for a total of 290 MW, located in northern Italy	Collaboration with research organisations and academia to carry out joint studies/define shared standards on agrivoltaics and set up a pilot project

[E4-5] Impact metrics related to changes in biodiversity and ecosystems

The following table presents a summary of sites located in or near biodiversity-sensitive areas.

Operational sites managed in or adjacent to protected areas and areas of high biodiversity value				
List of sites	Geographical area	Activities that have a negative impact	Size of operational site (km ²)	Protection regimes
Intake - C.le Aymavilles	it 1205030 - Pont d'Ael	Diversion work	0.0013	Natura 2000 site
La Salle Reservoir - Champagne2	Marais di Morgex and La Salle	Diversion work	0.0335	Protected area under regional legislation Natura 2000 Site
Gran Lago Modulation Lake - C.le Champdepraz	Mont Avic Natural Park	Modulation lake	0.18	Regional park
Fenille diversion - canal - C.le Chavonne	Gran Paradiso Natural Park	Diversion work - canal	0.007	National park
Canal from La Nouva diversion - C.le Chavonne	Gran Paradiso Natural Park	Channel	0.008	National park
Canal from La Nouva diversion - C.le Chavonne	it 1205030 - Pont d'Ael	Channel	0.0008	Natura 2000 site
Rhemes diversion canal - C.le Chamagne I	Gran Paradiso Natural Park	Channel	0.0008	National park
Covalou diversion canal - C.le Châtillon	en 1205090 - Xeric environments of Grand Brison and Cly	Channel	0.0007	Natura 2000 site
Miserin regulation lake - Hone2	Mont Avic Natural Park	Modulation lake	0.16	Regional park
Vercoche regulation lake - Hone2	en 1202020 - Mont Avic and Mont Emilius	Modulation lake	0.06	Natura 2000 site
Brenve intake - channel - Hönell	en 1202020 - Mont Avic and Mont Emilius	Diversion work	0.002	Natura 2000 site
Montagnayes Secondary Intake - C.le Valpelline	Montagnaya Reserve	Diversion work	0.001	Protected area - regional legislation
Trinatapoli photovoltaic plant	Gargano Promontory and Capinata Wetlands	Photovoltaic panels	0.056	IBA
TOTAL SIZE OF SITES IN PROTECTED AREAS			0.511	

SOCIAL INFORMATION

ESRS S1 – OWN WORKFORCE

[SBM-2] Stakeholders' interests and opinions

In CVA, the interests, opinions and rights of the workforce are taken into account, guiding strategic corporate choices and the adoption of tools aimed at improving the overall well-being of employees. Workers are involved through structured channels of listening and discussion, such as meetings with trade union representatives, technical tables and moments of direct dialogue with management.

These tools make it possible to collect feedback useful for defining initiatives that concretely respond to the needs expressed, thus influencing decisions in strategic areas such as human resources management, work organisation and corporate welfare policies. The aim is to adopt solutions that not only respect workers' rights, in line with international human rights principles, but also contribute to improving workforce satisfaction and motivation.

[SBM-3] Relevant impacts, risks and opportunities and their interaction with the strategy and business model

Impacts, Risks and Opportunities

ESRS	Description		Value chain	Time horizon
S1 - Own workforce Working conditions Equal treatment and opportunities for all	Negative impacts	<ul style="list-style-type: none"> Potential impacts on workers' health and safety 	Own operations	Short term
	Positive impacts	<ul style="list-style-type: none"> Greater economic security through the adoption of open-ended contracts, CCNL and second-level bargaining Better work-life balance thanks to flexible working hours Increased worker satisfaction through continuous dialogue with unions Increased well-being and corporate retention through the adoption of benefits Strengthening skills through training programs 	Own operations	Short and long term
	Risks	<ul style="list-style-type: none"> Potential business disruptions due to regulatory developments Difficulty in finding skills and increasing personnel costs 	The entire value chain and own operations	Short and medium term
	Opportunities	<ul style="list-style-type: none"> Business attractiveness for young talents 	Upstream	Short term

The CVA Group relies on a workforce mainly composed of employees, employed on permanent and fixed-term contracts, working in different functions and company structures. These include the production, distribution and sale of energy, plant maintenance, energy efficiency activities and related specialist support, as well as administrative operations to support the organisational management of Group companies. In addition, CVA employs self-employed workers involved in specialised activities such as technical consultancy, research and development and management of specific projects.

In analyzing the impacts, risks and opportunities relating to the company's own workforce, all categories of workers described above were taken into consideration.

Impacts

Through its constant commitment to its workforce, the CVA Group generates positive impacts on economic security, work-life balance, and skills enhancement, improving the overall well-being and satisfaction of its people. These results stem from targeted corporate practices, such as the adoption of permanent contracts to ensure economic stability and the introduction of flexible working models to facilitate work-life balance. These positive impacts concern the entire workforce of the Group. Following the acquisition of several subsidiaries, it is the company's specific concern to work towards the gradual harmonisation of the new workers' contracts with the first- and second-level contracts adopted by the parent company, as well as the uniform application of reconciliation policies.

Constant dialogue with trade union representatives, through monthly technical tables, and the offer of company benefits strengthen retention and improve the company climate. In addition, upskilling and reskilling programmes foster professional growth and adaptability to changes in the industry, providing people with concrete tools for their development within the company.

On the other hand, the technical nature of the business may expose the Group's workforce to potential impacts related to individual health and safety incidents. To mitigate these impacts, CVA takes preventive measures and invests in continuous training programmes, promoting a widespread safety culture.

The strategy and business model are constantly focused on reducing negative impacts and strengthening positive ones, ensuring a proactive approach to their management.

Risks and Opportunities

The potential risks faced by the Group arise from the evolution of the hydroelectric (expiring in 2029) and distribution concessions (expiring in 2030), and the difficulty of finding personnel with technical skills.

The company strategy has long been proactively addressing possible scenarios related to regulatory developments. Among the actions implemented is the diversification of business lines through a roadmap for the development of new wind and photovoltaic assets that will approximate a doubling of installed production capacity.

At the same time, to limit the increase in personnel costs needed to fill the shortage of specialized personnel, CVA is intensifying its skills development policies and investing in targeted training programs, thus ensuring a skilled and resilient workforce.

The employees most exposed to negative impacts are those who are most vulnerable in terms of health and safety, especially those working in high-risk contexts, such as hydropower plants and RES infrastructures. The risks to which workers are potentially exposed are identified through regular assessments, with particular attention to those working in critical contexts. The company uses tools such as internal audits, accident analysis and dialogue with safety representatives to understand specific exposures. Based on this evidence, targeted prevention measures and specific training plans are adopted in order to reduce risks and promote a safe working environment for all. Moreover, overall, the risks and opportunities arising from impacts and dependencies do not concern specific groups of people, but affect the entire workforce themselves, with transversal training, updating and protection initiatives.

However, while the business model entails some risks, the renewable energy sector offers CVA the opportunity to attract talent, facilitated by the evolution of the labour market towards sustainability.

Forced, coerced, and child labour

CVA's activities do not involve operations with a risk of forced, coerced or child labour.

[S1-1] Policies relating to own workforce

Code of Ethics and Conduct

The CVA Group's Code of Ethics and Conduct defines the ethical commitments and responsibilities of its member companies, serving as a reference for ensuring integrity, transparency and sustainability in the conduct of business activities. The document sets out the fundamental principles to be followed by employees, collaborators, directors and all those acting on behalf of the companies, with the aim of ensuring compliance with current regulations and best governance practices.

In the absence of operations at risk for issues concerning human trafficking, forced or child labour, the Code of Ethics does not contain policies dedicated to these issues. Instead, it clarifies the core values on which the Group's work is based, including respect for legality, protection of human rights, fairness, impartiality and transparency. The Code applies to all levels of the company and also extends to suppliers, consultants and business partners, who are required to adhere to its principles.

The criteria of conduct regulate both internal and external relations, promoting a working environment based on respect for personal dignity, non-discrimination and the psychophysical well-being of employees. Abuse of power, harassment, bullying and all forms of personally harmful behaviour are expressly prohibited. In its relations with customers, suppliers and stakeholders, the Group is committed to ensuring maximum transparency, fairness and compliance with regulations, including sectoral regulations, by adopting selection criteria based on impartiality.

The document was prepared by the parent company and applies to all business areas, embracing the entire operational chain. Responsibility for implementing the Code is assigned to the individual Group companies, with the support of their respective Supervisory Bodies, whose tasks include monitoring its application and handling any reports of violations.

To promote the dissemination and accessibility of the Code, CVA and its subsidiaries ensure its publication on institutional channels and its integration into the onboarding processes for new employees, as well as providing specific training and awareness courses for all personnel. The Code of Ethics is handed over to the employee by the Human Resources Department upon recruitment and, in the first days of joining the company, dedicated training is planned by the Compliance Function. Moreover, the document is always available on the company intranet and institutional websites in the '[Ethics and Codes of Conduct](#)' section.

Smart Working Policy

CVA, in line with its commitment to ensure the well-being and satisfaction of employees and to foster the continuous improvement of their working conditions, has adopted a Policy governing Smart Working conditions. Overall, *smart working* represents one of the tools provided by corporate welfare, offering employees the opportunity to better reconcile work and personal commitments. Access to this working method is regulated by a Smart Working Policy, defined through a trade union agreement and formalized through specific individual contracts signed by the workers. The top management, which signs the agreement together with the trade union representatives, is the most responsible for implementing the policy.

To ensure correct application of the measure and to facilitate compliance, the company provides an operational guide delivered at the entrance, as well as press releases and minutes that can be consulted on the company intranet. In addition, recurring circulars are issued to staff, containing practical guidance and updates on how to access and use the service, thus ensuring transparency and uniformity in the implementation of *smart working*.

Integrated Quality, Safety and Environment Policy

In order to minimise potential negative impacts on the health and safety of its employees and to prevent possible accidents, the CVA Group¹⁴ has adopted the Integrated Quality, Safety and Environment (QSA) Policy, supported by an Integrated Management System (IMS) that complies with the ISO 45001 standard on workers' health and safety.

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The Group companies included in the 45001 certification are CVA Spa, CVA Energie, Deval, CVA Eos and RS Service.

In particular, the CVA Group undertakes to:

- reduce the severity and frequency of accidents, injuries and/or occupational diseases;
- ensure a clear definition of the roles, skills and responsibilities of staff in terms of health and safety at work and in the environmental field;
- systematically identify and analyze the risks and dangers associated with all activities by assessing in advance the risks for personnel and the environment, allowing the adoption of solutions capable of preventing accidents, occupational diseases and environmental incidents, promoting corrective interventions whenever necessary;
- increase awareness of the indirect costs of environmental accidents and incidents and the resulting reputational risks.

For more information on the Integrated Quality, Safety and Environment Policy, please refer to E1-2 [page 117](#).

Protection of equal opportunities

The CVA Group, in line with the principles enshrined in its Code of Ethics, is committed to protecting the respect, dignity and integrity of people, guaranteeing equal treatment opportunities and opposing any form of discrimination or prevarication. The company considers impartiality of treatment a fundamental value in the conduct of all relations, both internal and external to its companies, and recognizes the individual, his values and rights as intangible principles to be protected. To this end, the Group promotes an inclusive environment, free from discrimination based on age, gender, health status, ethnicity, nationality, political opinions or religious beliefs. To strengthen this commitment, the CCNL promotes actions aimed at identifying and removing any situations of unjustified obstacle, subjective and objective, which do not allow effective equal opportunities for access to work and in work for men and women. To this end, a National Joint Commission dedicated to the condition of women's work and the promotion of equal opportunities and inclusion in the electricity sector was established. In the event of violations, depending on the seriousness of the conduct, the CCNL provides for disciplinary measures commensurate with the nature and extent of the infringement. The Code of Ethics also provides for the possibility of reporting through the Whistleblowing procedure. *For more information on Whistleblowing, please refer to S1-3 [page 141](#).*

The Group also makes specific commitments regarding the inclusion of people belonging to groups particularly at risk of vulnerability within its workforce, with particular attention to those with disabilities. These workers are protected by national legislation, which provides specific hiring obligations for companies. To strengthen this commitment, the Group has introduced the figure of the Disability Manager, a role dedicated to facilitating the inclusion and integration of workers with disabilities in the workplace, guaranteeing them the necessary support and promoting an inclusive and accessible environment.

[S1-2] Processes for involving own workforce and employee representatives on impacts

CVA promotes the active involvement of workers' representatives by organising meetings and technical tables with territorial trade union organisations, in compliance with the indications contained in the Protocol on Industrial Relations. This protocol transposes the guidelines of the CCNL (Articles 6, 7, 8) and regulates the relations between the company and the workers, represented by their trade union bodies. The modalities and steps of the involvement are defined in accordance with the Protocol and the operational responsibility for ensuring the proper conduct of the process lies with the General Manager, the CEO and the Head of Human Resources. The frequency of meetings is not predetermined, but is commensurate with the needs for exchange and comparison that may arise during the working year.

The effectiveness of workforce involvement is ensured by the signing of second-level agreements, which reflect the outcomes of the dialogue with workers' representatives. Within the framework of second-level bargaining, agreements are signed that take into account the needs and perspectives of workers, with particular attention to those who may be most vulnerable and/or marginalized.

The communication of signed agreements takes place through publication on the company intranet and, in specific cases, through the issuance of official communications circulated to staff by e-mail, on the attendance management application and on the intranet platform, ensuring maximum transparency and accessibility of information.

In addition, worker participation in health and safety processes is ensured through regular meetings with the company's RLS (Workers' Safety Representatives). Worker training and instruction is guaranteed at the time of recruitment and before each new assignment in line with current legal requirements. Relevant information is conveyed to workers through e-mails, communications to staff, documents available on the company intranet or specific training meetings.

In addition, trade unions were made aware through a briefing note of the results of the Double Materiality Assessment (DMA), which identifies workforce-related impacts, risks and opportunities.

For more information, please refer to *ESRS 2 SBM-2 page 87*.

[S1-3] Processes to remedy negative impacts and channels for workers to raise concerns

CVA has established processes to manage the impacts reported by the workforce, ensuring that employees have the opportunity to voice their concerns.

For recipients of the Code of Ethics, the Whistleblowing reporting system is available¹⁵, which allows the reporting of violations of the law (pursuant to Legislative Decree no. 24/2023), company rules or the Code of Ethics, of which they have become aware in the course of their duties. Whistleblowers identified by Group companies receive and analyze reports, ensuring the confidentiality of whistleblowers in accordance with applicable law. Reports may be made through the internal channels managed by the Group Companies or through the external channels of the National Anti-Corruption Authority (ANAC) in the circumstances provided for by the aforementioned Legislative Decree. 24/2023.

Once a report has been received, the Managers initiate a preliminary assessment, verifying the merits of the report and, if necessary, launching an internal investigation. If violations are established, appropriate corrective measures are taken, which may include disciplinary action, updates to company policies or targeted training.

To ensure the transparency and effectiveness of the whistleblowing system, CVA implements continuous monitoring of the handling of reports. This includes:

- Verification of the effectiveness of reporting channels;
- Periodic training for employees on the correct use of the reporting system and on the safeguards provided for whistleblowers.

The aim is to ensure an effective, secure and accessible reporting system that promotes a corporate culture based on ethics, transparency and the protection of rights.

In order to meet the needs of its workforce and prevent potential negative impacts related to workers' health and safety, CVA recognises the right to horizontal mobility, on the basis of which transfer requests to other company functions can be submitted. This recently regulated process has already allowed for the redeployment of resources from, for example, the areas responsible for most protected regimes. Employees can submit transfer applications through the digital forms available on the company intranet. To ensure proper handling of applications, interviews are conducted within two months of submission, ensuring a timely and transparent approach.

Lastly, employees have the opportunity to raise issues informally, by turning to the Group's Human Resources Function, which is always available to listen and communicate with each other, or to their direct supervisors, encouraging an open and constructive dialogue.

¹⁵ The institution of the WB cannot be used for the purposes set out in C). It should be noted the recent ruling of the Court of Cassation - Sect. Labour - ruling 27 January 2025 n. 1880/2025 (hearing 3/12/2024): "*The institution of so-called whistleblowing cannot be used for essentially personal purposes or for complaints or claims inherent in the employment relationship against superiors*".

[S1-4] Actions on relevant impacts on the own workforce and approaches for managing relevant risks and pursuing relevant opportunities in relation to the own workforce, as well as the effectiveness of these actions

CVA identifies and manages negative impacts on its workforce through continuous monitoring, based on risk assessments (DVR), the Whistleblowing reporting system and informal reporting. In the event of critical issues, the Human Resources Function, the Quality, Safety and Environment Function and/or the Supervisory Board assess the most appropriate action. The effectiveness of the actions is monitored through regular audits and reviews to ensure a safe and inclusive working environment.

In addition, training and regulatory updates on occupational health and safety are one of the most effective, long-established safeguards that have contributed significantly to reducing accidents. CVA constantly invests in personnel awareness and training, strengthening the safety culture through targeted initiatives and continuous updates.

The difficulty in finding technical expertise, particularly dedicated to the development of new wind and photovoltaic plants, is partly due to the geographical location of the company, which is based in the Valle d'Aosta region. CVA is strongly linked to its territory and its citizens; however, being based in Valle d'Aosta presents challenges in terms of attracting professionals, compared to more central or urbanized locations in Italy, where the availability of talent is generally greater. This risk is further amplified by the growing demand for such professional profiles, due to the rapid development of renewable energy, which makes the market highly competitive. Furthermore, the shortage of qualified engineers and technicians in this field accentuates the difficulty of attracting and retaining specialized professional resources.

To mitigate this risk, the company has taken several strategic actions. At a local level, engagement initiatives have been developed with high schools in the Valle d'Aosta region, with the aim of raising awareness among young people about the career opportunities offered in the renewable energy sector. On a national level, CVA actively participates in the career days of the Polytechnic University of Turin, with the aim of attracting highly qualified engineers and professionals, thus consolidating a pipeline of talent for the future.

CVA stands out as a fast-growing company, with a consolidated presence not only at a regional level, but also throughout the country. The company is steadily expanding its plant network, installing new photovoltaic and wind power facilities all over Italy, and has recently acquired other national operations. This expansion represents a significant opportunity to attract new talent and strengthen its position in the renewable energy sector.

In fact, CVA is committed exclusively to renewable energy production, with a vision that places sustainability at the heart of every corporate strategy and decision. The commitment to the energy transition and the promotion of eco-sustainable solutions is reflected in the daily operational choices, creating a dynamic and constantly evolving environment that offers ample opportunities for professional development.

In addition, the Valle d'Aosta region, the company's historical home, stands out for its landscape and high quality of life, factors that make it an ideal place to live and work. Unlike many urban areas, the region offers a favorable environment, making it particularly attractive for those seeking a balance between work and personal life.

An important aspect is the management of the risk related to the possible loss of hydroelectric concessions, which could expose workers to employment uncertainties. To mitigate this scenario, CVA initiated a strategy of diversification of renewable energy sources (RES) and developed detailed contingency plans. Several response scenarios were developed, each with specific measures to ensure employment protection and business continuity.

All actions are implemented on a continuous and cyclical basis, resuming and consolidating the initiatives already started in previous years.

Well-being at work

Benefits provided and work-life balance

With the aim of promoting the well-being and retention of the corporate population, CVA provides a range of company benefits and work-life balance tools, complemented by CCNL coverage.

The corporate welfare system is not only an opportunity to increase employee motivation, but also a strategy to promote the sustainable development of the company. The Group offers its people a range of services ranging from financial support, education and parenting support, as well as disability and life insurance coverage. In addition, the majority of the Group's employees (CVA Spa, CVA Energie, Deval; CVA Eos¹⁶) have access to the supplementary pension system (FOPEN, FONDEMAIN), to which the company contributes an additional amount to that provided for in the contract.

In addition, the Group implements company programmes to protect the health of workers through the Supplementary Employee Health Fund (FISDE) in which all permanent employees are enrolled, with the company paying a share. The Fund provides access to health reimbursements for the employees themselves and their dependent family members. Executives, governed by the CCNL for executives of companies producing goods and services, are granted company health protection programmes through the Supplementary Health Care Fund (Fondo Assistenza Sanitaria Integrativa, FASI), whose purpose is to provide supplementary benefits to the assistance provided by the National Health Service. In addition, executives are insured with ASSIDAI (a non-profit supplementary health insurance fund).

The company provides an additional insurance policy for all employees covering death and total and permanent disability. Aware of the importance of work-life balance, the Group has formalised agile working arrangements for up to two days of *smart working* per week for remote workers¹⁷. Activated on a voluntary basis, *smart working* is subject to subsequent authorisations aimed at determining its compatibility with the work activity and with the security measures envisaged at company level. For certain categories of workers such as pregnant women, fathers, mothers and workers undergoing life-saving treatment, exceptional measures are provided to meet individual needs. In addition, CVA assesses any requests for extensions by personnel with particularly difficult situations.

In addition to the benefits provided for by the CCNL adopted by the majority of CVA S.p.A. companies, some Group companies have specificities linked to their own operating realities. Renertica recently approved a welfare plan, along with smart working policies. Nuova Energia offers welfare provided for in the Collective Bargaining Agreement in the amount of EUR 200 per year, while RS Service does not provide any form of welfare other than those established by the relevant CCNL. In evolutionary terms, starting from January 2025, RS Service will implement a system for recording time stamps via app, with the aim of simplifying and digitalizing the management of staff attendance. In addition, the company is evaluating the introduction of restaurant vouchers to expand the benefits for employees.

At Sunnerg, site managers at the Italian sites benefit from company equipment such as cars and laptops, but agile working does not apply since all employees are site managers. RTS, on the other hand, adopts agile working for white-collar staff (excluding operatives) and offers a company benefit of EUR 200 per year, provided for in the collective agreement, in addition to the provision of an electric vehicle.

Performance bonuses

With the aim of guaranteeing the satisfaction and economic security of its workers, CVA provides a variable and incentive pay system, which is correlated to the general performance of the company and the technical and economic efficiency of service quality. The "Framework Agreement - Performance Bonus for the years 2022-2024, 2023-2025 Fund" is the document that reports the criteria for determining the performance bonus, pursuant to art. 44 of the CCNL for the electricity sector, as well as the corporate welfare measures, and refers to the definition of incentive objectives based on productivity, quality, efficiency and innovation.

Overall, the performance bonus is divided into a corporate profitability part, defined at Group level, and a productivity, quality, efficiency and innovation incentive part, defined at the level of individual Group companies. Furthermore, employees have the possibility of transforming the Performance Bonus into welfare services and benefits.

¹⁶ As of 1 January 2025, the employees of SR and Solar were integrated into CVA EOS assimilated into the electricity contract. This adds up to 700 employees in the electricity contract out of a total of 952, representing more than 70% of the own workforce.

¹⁷ With the exception of new hires during the probationary period, blue-collar, shift and semi-shift workers

Following the closing of the Financial Statements for fiscal year 2023 with disbursement in 2024, CVA decided to recognize the merit and commitment of its employees by awarding an Extraordinary Award, aiming to enhance the remarkable teamwork done by everyone. The bonus, equal for all employees (middle management, white and blue collar workers), amounted to EUR 1,500 gross, allocated to supplementary pensions or paid directly in the pay check.

Training and skills development

To support the professional growth of its workforce and mitigate the risk related to the difficulty in finding critical skills, the Group has adopted a strategy based on continuous skills development through two main approaches. Upskilling enables the strengthening of existing skills and the acquisition of new ones, with a focus on languages, IT and transversal skills. Reskilling, on the other hand, aims to requalify existing skills, preparing employees for changes in the labour market and opportunities for personal and professional growth. Overall, in 2024, 24.5 hours of training per capita were provided to the entire Group population (952 employees). In order to encourage employee self-training, for the three-year period 2022-2024 the Group has contracted the Udemy Business training platform, which offers unlimited access to over 6,000 courses, available in different languages and with the possibility of being completed at any time and from any device. Since the platform was contracted to date, 360 users have been allocated (+79 compared to 2023). The licensing process is continuous and progressive based on the needs reported by the Managers. Of the 360 activated users, 302 (84%) were enrolled in at least one course and, of these, 90% attended at least one lesson.

In terms of general training, Nuova Energia offers both mandatory and optional courses with a focus on health, safety and technical skills. Specifically, training initiatives were launched to enhance the interpersonal skills of the responsible staff. In particular, courses dedicated to effective communication and empathy were organized, with the aim of improving the quality of internal interactions and team management.

RS Service focuses mainly on the mandatory training required by the CCNL, from 2025 several voluntary training projects will be implemented that can be accessed online. RTS, on the other hand, adopts an approach oriented towards operational needs, providing mandatory courses for specific activities and promoting training also on topics related to the new regulations on renewable sources. Currently, RTS is finalising a course on ESG and carbon footprint issues, reflecting its commitment to sustainability and the growth of environmental expertise.

Health and safety

Health and Safety Training

The majority of the Group's companies oversee occupational health and safety by implementing the 45001-certified system. The company's Prevention and Protection Service (SPP) manages occupational health and safety training. In fact, CVA ensures that workers receive the necessary training upon entry and, subsequently, based on their tasks and regulatory requirements. Courses can be conducted both in-person and remotely and include tests to assess participants' learning. In 2024, CVA Group allocated more than 23,400 total hours of training in occupational health and safety to its staff.

Some CVA Group companies have different approaches to occupational health and safety. RS Service implements an ISO 45001-certified health and safety system. Solar X, despite not having a structured safety management system, delivers all courses required by law, including those related to Occupational Health and Safety. Nuova Energia has a company manager for OHS, ensuring specific monitoring of safety issues.

[S1-5] Objectives related to managing relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities

As part of the 'Empowering Communities' pillar of the Sustainability Goals of the Strategic Industrial Plan 2025-2029, which aims to foster the growth of its workforce and collaboration with communities, CVA has defined a medium-term goal to enhance and strengthen the skills of its workers. The process of defining the Plan's objectives involved direct interaction with internal and external stakeholders. *For more information, please refer to SBM-1 page 82.*

Although the workforce was not directly involved in the formulation of the target below, the demands of CVA staff are constantly listened to through meetings and working tables with trade union representatives. *For more information on workforce engagement and listening, please refer to S1-2 page 140 and S1-3 page 141.*

As part of the annual reporting, to ensure that performance is monitored and room for improvement is identified, the Human Resources Function plays a key role in monitoring progress against the Group's target.

Training of own workforce

To foster the professional growth of the workforce and counter the risk of skills shortages, CVA aims to implement upskilling and reskilling courses, with the goal of achieving an average of at least 20 hours of training per capita per year by 2026.

Target	Perimeter	2023 Baseline	2024 Results	2026 Objective
Upskilling and reskilling	Group	17 hours per capita	24.6 hours per capita	Maintaining at least 20 hours per capita per year of upskilling and reskilling training

Training hours per capita are calculated by dividing the total training provided by the number of employees, as specified in S1-13 [page 149](#).

[S1-6] Characteristics of the company's employees

2024			
50a. Employees by country	U.d.m.	no.	%
Italy	No. of people	932	97.90%
Romania	No. of people	15	1.58%
United Kingdom	No. of people	5	0.53%
TOTAL EMPLOYEES		952	100%

For further information, please refer to "Human Resources of CVA Group" on page 65.

2024					
50b, 51, 52 Employees by gender and country	U.d.m.	Men	Women	Other*	Total
Number of employees		725	227	0	952
Italy	No. of people	706	226	0	932
Romania	No. of people	15	0	0	15
United Kingdom	No. of people	4	1	0	5
Number of permanent employees		695	222	0	917
Italy	No. of people	685	221	0	906
Romania	No. of people	6	0	0	6
United Kingdom	No. of people	4	1	0	5
Number of fixed-term employees		30	5	0	35
Italy	No. of people	21	5	0	26
Romania	No. of people	9	0	0	9
United Kingdom	No. of people	0	0	0	0
Number of employees with variable hours		0	0	0	0
Italy	No. of people	0	0	0	0
Romania	No. of people	0	0	0	0
United Kingdom	No. of people	0	0	0	0

*gender as specified by the employees themselves

2024					
50c	U.d.m.	Men	Women	Other*	Total
Number of employees who left the company	No. of people	50	8	0	58
Turnover rate		6.90%	3.52%	-	6%

*gender as specified by the employees themselves

The numbers reported are expressed in numbers of persons considered at the end of the reporting period (31/12/2024).

The use of fixed-term and part-time contracts in CVA Group companies is based on various operational and personal needs. Part-time work is mainly granted at the employee's request, for reasons related to health, family or personal needs, as is the case at CVA, CVAE, EOS, DEVAL, Nuova Energia, RTS and SR. In RS Service, part-time work for women is linked to reconciling family commitments, while for men it is determined by worksite requirements. In some cases, as in Sunnerg, part-time contracts are activated due to business needs, while in Solar there are no part-time contracts.

As for fixed-term contracts, they are mainly used in RS Service, where the duration of the contract is linked to the construction site where the worker is employed.

[S1-7] Characteristics of non-employees in the enterprise's own workforce

2024			
55a. Non-employees	U.d.m.	no.	%
Italy	No. of people	12	100%
TOTAL NON-EMPLOYEE WORKERS		12	100%

The numbers reported are expressed in numbers of persons considered at the end of the reporting period (31/12/2024). Non-employee workers are classified as coordinated and continuous collaborators (Co.co.co) or as temporary agency workers, depending on the organisational and contractual needs of the company.

[S1-8] Coverage of collective bargaining and social dialogue

National Collective Labour Contract

CVA, in line with its commitment to the wellbeing and satisfaction of its employees and the continuous improvement of their working conditions, ensures the coverage of 98% of the company population through the National Collective Labour Agreements (CCNL), with a preponderance of application of the CCNL of the electricity sector for CVA S.p.A.¹⁸. Each worker receives a copy of the CCNL at the time of signing the employment contract, together with a summary of the Transparency Decree.

To promote the work-life balance of workers and offer advantageous working conditions, working hours are regulated by the CCNLs specifically for the different professional categories and supplemented by second-level agreements, agreed directly between CVA and the trade unions. These agreements take into account the production and organisational needs of the company, while ensuring greater flexibility for workers. *Smart working* is one of the tools provided by corporate welfare, offering employees the opportunity to better reconcile work and personal commitments. In addition, the CCNLs also provide specific protections for workers in particular life and/or health conditions, such as maternity, paternity, or cases of illness and injury, ensuring concrete support for workers at every stage of their professional and personal lives. In order to strengthen the skills of the workforce, the CCNLs regulate training activities, defining a three-year per capita amount of hours, fully traceable through dedicated digital platforms. Furthermore, a bilateral Training, Health and Safety Commission was established, composed of both company representatives (including those responsible for the company's Prevention and Protection Service) and trade union representatives.

Finally, in order to mitigate the risks related to the shortage of specialized personnel in critical areas (for example, STEM disciplines), the CCNL and second-level agreements also regulate the right to study: student employees regularly enrolled in recognized training courses can benefit from paid study leave, agreed with the company, to promote their professional and personal growth.

The HR Manager is the managerial figure in charge of the implementation and adoption of the CCNL for electricity, ensuring the correct implementation of the provisions of the trade union agreements and individual contracts.

2024		
60a. Employees covered by collective contracts	U.d.m.	no.
(b) Number of employees covered by collective contracts within the EEA	No. of people	932
(c) Number of employees covered by collective contracts outside the EEA	No. of people	0
% OF EMPLOYEES COVERED BY COLLECTIVE CONTRACTS		97.90%

¹⁸ Although most of the workers at CVA S.p.A. are classified under the CCNL for electricity, the companies acquired in recent years also have national collective agreements for the Metalworking, Trade, Construction and Industrial sectors. The national contract for electricity is applied for the companies CVA spa, CVA Energie, Deval; CVA Eos, which together account for 73% of the Group's workforce.

		2024	
63a. Employees covered by workers' representatives		U.d.m.	no.
Number of employees working in plants with workers' representatives		No. of people	671
% OF EMPLOYEES COVERED BY WORKERS' REPRESENTATIVES			70%

*for workers' representatives, trade unionists/MSW workers were considered

60a, 60b, 60c Employees covered by collective contracts			63a. Employees covered by workers' representatives
Coverage rate	Employees – EEA (for countries with > 50 employees representing > 10% of total employees)	Employees – non-EEA (estimate for regions with > 50 employees representing > 10% of total employees)	Workplace representation (EEA only) (for countries with > 50 employees representing > 10% of total employees)
0-19%			
20-39%			
40-59%			
60-79%			Italy
80-100%	Italy		

[S1-9] Diversity metrics

2024			
66a. Gender distribution in top management	U.d.m.	no.	%
TOTAL TOP MANAGEMENT		16	1
Men	No. of people	15	94
Women	No. of people	1	6%

2024			
66b. Distribution of employees by age	U.d.m.	no.	%
<30 years old	No. of people	91	10%
30-50 years	No. of people	576	61%
>50 years	No. of people	285	30%
TOTAL EMPLOYEES		952	100%

[S1-10] Adequate wages

The CVA Group applies the minimum contractual provisions set out in the CCNL, which ensures that the salaries paid to all its employees are adequate based on their role.

[S1-13] Training and skill development metrics

2024					
83a. Employees who participated in periodic performance and career development reviews	U.d.m.	Men	Women	Other*	Total
Executive employees who participated in reviews	No. of people	9	1	0	10
Non-executive employees who participated in reviews	No. of people	46	19	0	65
Number of employees	No. of people	725	227	0	952
% OF EMPLOYEES WHO PARTICIPATED IN REVIEWS		8%	9%	-	8%

2024					
83b. average number of training hours	U.d.m.	Men	Women	Other*	Total
Training hours	No. of hours	18,977.39	4,444.51	0	23,421.90
Number of employees	No. of people	725	227	0	952
AVERAGE NUMBER OF TRAINING HOURS		26.18	19.58	-	24.60

*gender as specified by the employees themselves

[S1-14] Health and safety metrics

2024		
88a. Own workers covered by health and safety systems	U.d.m.	no.
Number of employees covered by health and safety systems	No. of people	952
Number of employees	No. of people	952
% OF EMPLOYEES COVERED BY HEALTH AND SAFETY SYSTEMS		100%
Number of non-employee workers covered by health and safety systems	No. of people	20
Number of non-employee workers	No. of people	27
% OF NON-EMPLOYEE WORKERS COVERED BY HEALTH AND SAFETY SYSTEMS		74%
% OF OWN WORKERS COVERED BY HEALTH AND SAFETY SYSTEMS		99%

		2024	
88b. Deaths due to work-related injuries and illnesses		U.d.m.	no.
Deaths of employees caused by work-related injuries		Number	0
Deaths of employees caused by work-related illnesses		Number	0
TOTAL NUMBER OF DEATHS (EMPLOYEES)			0.00
Deaths of non-employees caused by work-related injuries		Number	0
Deaths of non-employees caused by work-related illnesses		Number	0
TOTAL NUMBER OF DEATHS (NON-EMPLOYEES)			0.00
Deaths of other workers caused by work-related injuries		Number	0
Deaths of other workers caused by work-related illnesses		Number	0
TOTAL NUMBER OF DEATHS (OTHER WORKERS)			0.00

		2024	
88c. Occupational accidents		U.d.m.	no.
Number of occupational accidents of employees		Number	7
Total hours worked (employees)		Number	1,559,825.05
RATE OF OCCUPATIONAL ACCIDENTS (EMPLOYEES)			4.49
Number of occupational accidents of non-employees		Number	2
Total hours worked (non-employees)		Number	24,270.04
RATE OF OCCUPATIONAL ACCIDENTS (NON-EMPLOYEES)			82.41

		2024	
88c. Occupational accidents		U.d.m.	no.
WORK-RELATED ILLNESSES (EMPLOYEES)		Number	0
WORK-RELATED ILLNESSES (NON-EMPLOYEES)		Number	0

		2024	
88e. number of lost days		U.d.m.	no.
LOST DAYS (EMPLOYEES)		Number	234
LOST DAYS (NON-EMPLOYEES)		Number	33

[S1-15] Work-life balance metrics

2024					
93a. Employees entitled to family leave	U.d.m.	Men	Women	Other*	Total
Employees entitled to family-related leave	No. of people	255	89	0	344
Number of employees	No. of people	725	227	0	952
% OF EMPLOYEES ENTITLED TO FAMILY LEAVE		35.17%	39.21%	-	36.13%

2024					
93b. Employees who have taken family leave	U.d.m.	Men	Women	Other*	Total
Employees who have taken family-related leave	No. of people	83	49	0	132
Employees entitled to family-related leave	No. of people	255	89	0	344
% OF EMPLOYEES WHO HAVE TAKEN FAMILY-RELATED LEAVE		32.55%	55.06%	-	38.37%

*gender as specified by the employees themselves

[S1-16] Compensation metrics (pay gap and total compensation)

2024			
97a. Gender pay gap	Women	Men	Gap
Gross hourly wage of employees	19.80	20.30	2.46%

2024			
97.b Total annual remuneration ratio	Highest salary (€)	Median (€) *	Ratio
Total annual remuneration	319,046.94	41,088.60	7.76

*Includes the remuneration of all employees excluding the person with the highest salary

ESRS S3 – AFFECTED COMMUNITIES

[SBM-2] Stakeholders' interests and opinions

CVA Group integrates the views, interests and rights of affected communities into its strategy and business model through stakeholder engagement processes. In particular, when building new plants, CVA is required to carry out an Environmental Impact Assessment (EIA) and obtain authorisations involving public consultations and the active involvement of local communities and other relevant stakeholders. In addition to regulatory obligations, CVA promotes dialogue through working tables and consultation initiatives aimed at gathering feedback, identifying potential impacts and building trusting relationships with the territories in which it operates. These moments of confrontation represent a useful tool to guide the Group's strategic decisions, ensuring sustainable and shared growth. The contents that emerge are integrated into the company's activities, helping to define priorities and actions in the environmental, social and economic fields. *For more information on consultation and dialogue initiatives, please refer to E1-3 page 118.*

[SBM-3] Relevant impacts, risks and opportunities and their interaction with the strategy and business model

ESRS	Description	Value chain	Time horizon
S3 - Affected communities Economic, social and cultural rights of communities	Positive impacts	<ul style="list-style-type: none"> Value generated for local suppliers, skills development, economic spin-offs, donations, sponsorships and support for local economies 	Own and downstream operations Short term
	Risks	<ul style="list-style-type: none"> Direct and indirect costs of not involving stakeholders in the development of new plants Reputational damage and costs resulting from breaches in Operation Technology systems and attacks on the automation and protection systems of hydroelectric plants Growing conflicts over multiple use of water resources Partial or poor application of Civil Protection Plans in the event of exceptional natural events in areas near dams 	The entire value chain and own operations Short term

This Disclosure includes all affected communities that may be materially impacted by CVA's operations, its value chain, and activities related to services and business relationships. The main communities affected are those living or working near hydroelectric plants, photovoltaic power plants and other infrastructures, potentially exposed to impacts related to natural resource management and local environmental effects. *For more information on engagement, please refer to S3-2 page 155.*

Overall, CVA Group generates significant positive impacts in the territories where it operates, contributing to the socio-economic development of local communities. The distribution of value to local suppliers supports local economies, encouraging business growth and the generation of related activities. In addition, through donations and sponsorships, CVA supports cultural, social and environmental initiatives, strengthening ties with communities. Creating jobs, supporting local economies and raising awareness about sustainability help strengthen community resilience and awareness.

Among the relevant IROs, CVA identifies risks related to both impacts on and dependence on communities, particularly in the development and installation phases of new plants (wind, photovoltaic and agrivoltaic). Failure to involve stakeholders can generate direct and indirect costs due to project delays, opposition from local communities and complex authorisation processes.

Also in order to avoid or mitigate potential risks concerning the management of water resources, especially in relation to the multiple use of water for energy, agricultural and civil purposes, with possible consequences on the Group's reputation and on the trust of communities, CVA engages in an ongoing dialogue with all stakeholders, setting up working groups to discuss the most effective ways of using the resource. *For more information on the roundtable and the agreement, please refer to E1-3 [page 118](#).*

Further potential risks relate to aspects of operational safety and emergency management. In particular, CVA recognises the risk of reputational damage and costs resulting from possible breaches of Operation Technology systems, as well as from cyber attacks on the automation and protection systems of hydroelectric plants, which could compromise the operational continuity and security of the plants themselves. A further element of risk is represented by a possible partial or ineffective application of the Civil Protection Plans in the event of exceptional natural events in the areas surrounding the dams, with potential reputational and economic impacts.

Finally, in relation to the impacts and dependencies with the affected communities, no significant risks or opportunities have been identified that concern specific groups of communities, distinct from the rest of the communities involved.

During 2024, CVA allocated a total of €2.3 million for activities aimed at the affected communities (in its individual amounts, not significant).

[S3-1] Policies relating to affected communities

Environmental Impact Assessment (EIA)

To mitigate the risk of direct and indirect costs related to the lack of stakeholder involvement in the development of new plants, CVA integrates stakeholder engagement from the early stages of the authorisation process.

For the construction of each new plant, in accordance with Regional Law 12/2009, an Environmental Impact Assessment (EIA) is conducted, with the objective of analysing the potential environmental impacts of the project and defining the mitigation and monitoring measures necessary to ensure the protection of the territory and local communities.

The procedure is based on the principle of preventive action, according to which priority is given to preventing negative effects on the environment rather than acting on the effects afterwards. To this end, CVA actively involves stakeholders, including affected communities, in the infrastructure development phases, ensuring compliance with the steps laid down in the regulations and incorporating into the evaluation the concerns raised during the consultations.

Sponsorship procedure, promotional initiatives, donations and gadgets

In order to contribute to the positive impact generated in the territory, CVA has adopted an ad hoc Procedure to regulate the main processes relating to the management of sponsorships, promotional initiatives, donations and gadgets, indicating the relevant responsibilities, the general principles of conduct, and the organisational, management and control measures aimed at preventing the offences provided for by Legislative Decree no. 231/2001. The Procedure applies to the personnel, consultants and collaborators of CVA S.p.A. a s.u. and some of the Group companies¹⁹.

Responsibility for the contents of the Procedure is shared among several corporate bodies and functions, including the BoD of CVA Spa, the BoDs and Sole Directors of the Subsidiaries, the CEO of CVA, the legal representatives of the Companies, and the Sponsorship and Donations Committee and the Heads of the individual corporate structures.

For the management of requests for sponsorships, promotional initiatives, donations and gadgets, the Group has made available to applicants a dedicated section of the CVA website headed 'Sponsorships', containing forms for submitting requests.

Thanks to this tool, in 2024 the CVA Group supported several initiatives in areas such as healthcare, culture, sports, education system and environment. In total, between sponsorships and donations, CVA allocated a total value of more than EUR 730,000.

¹⁹ The companies within the scope of the Procedure are CVA S.p.A. a s.u., CVA Energie S.r.l. a s.u., VALDIGNE ENERGIE S.r.l., DEVAL S.p.A. a s.u., CVA EOS S.r.l. a s.u., CVA SMART ENERGY S.r.l. a s.u., SR INVESTIMENTI S.r.l. a s.u., AGREEN ENERGY S.r.l. a s.u.

Civil Protection plans for the safety of downstream areas

Managing risks related to potential flooding in areas downstream of dams requires a careful and organised approach. To meet this challenge, specific Civil Protection Documents (CPDs) are drawn up for each dam²⁰ outlining the procedures to be followed during the different alert phases in order to minimise negative impacts related to community safety.

With regard to the large dams (Beauregard, Cignana, Gabiet, Goillet, Perrères, and Place Moulin), the DPC defines procedures and responsibilities to prevent and manage risk scenarios related to exceptional natural events (floods, earthquakes, landslides) that could compromise the stability of the system or generate flood waves in downstream territories. The document integrates a structured process of hydro-meteorological monitoring, definition of alert phases and timely communication to the agencies involved.

When defining the policy, the interests of public institutions (Prefecture, Civil Protection, Valley Municipalities, Hydraulic Authority) are considered. They receive timely communications and are involved in the activation of emergency plans. The person ultimately responsible for implementing the policy is the Plant Manager, identified as Compagnia Valdostana delle Acque S.p.A. (CVA), and in particular the Dam Safety Engineer, supported by his deputy and qualified technical personnel. The legal representative of CVA can formally activate the alert phases. The DPC is made available to institutional and operational entities through formal dissemination (telephone directory, communication protocols, PEC channels).

Similarly, the DPC of small dams establishes the conditions for the activation of the reinforced surveillance, danger and collapse phases, defining operational responsibilities and mandatory communications to local and regional authorities. The regular updating of DPCs for dams, large and small, has facilitated an effective exchange of data and information between CVA, the Regional Functional Centre and the Hydraulic Authority. Thanks to this collaboration, it is possible to obtain a more precise mapping of the risk and to activate alert procedures in a timely manner when necessary.

Information Security and Privacy Management

To mitigate risks related to possible breaches of Operation Technology (OT) systems and cyber attacks targeting the automation and protection systems of hydroelectric plants, CVA has adopted an Information Security Management System (ISMS) compliant with ISO/IEC 27001. The system, certified according to international standards, integrates a structured risk assessment process and a risk treatment plan, with the aim of strengthening the resilience of critical systems and guaranteeing business continuity in a context in which IT security plays an increasingly strategic role. *For more information, please refer to S4-1 page 161.*

[S3-2] Processes for involving affected communities on impacts

CVA Group adopts a continuous approach to the involvement of the affected communities, with the aim of guiding its decisions and activities in the management of impacts on the territory.

Dialogue with the communities takes place through regular meetings with Finaosta, the financial company of the Autonomous Region of Valle d'Aosta that holds 100% of CVA S.p.A., and through participation in hearings with council bodies, including Regional Council committees. CVA also promotes involvement through roundtables with trade associations such as Confindustria Valle d'Aosta, ADAVA and the Chambre Valdôtaine, with which agreements and memoranda of understanding are signed to promote energy efficiency and sustainable transition. Examples include the 2023-2024 Agreement for the supply of energy to companies in Valle d'Aosta. *For more information on the roundtable and the agreement, please refer to E1-3 page 118.*

Furthermore, as part of a responsible and participatory approach to risk management, CVA takes an active part in institutional working groups aimed at monitoring hydrogeological phenomena, thus strengthening its capacity to prevent and respond to risks that may affect communities downstream of the plants. Renewed in 2022, the Convention for Flood Forecasting, Water Resource Assessment and Analysis of the Impact of Climate Change on the Hydrological Cycle represents an important opportunity for comparison and cooperation between the Group, the Autonomous Region of Valle d'Aosta, ARPA VdA (Regional Environmental Protection Agency of Valle d'Aosta), CIMA Foundation and Montagna Sicura Foundation.

²⁰ The Civil Protection Documents are prepared by the General Directorate for Dams and Water and Electric Infrastructures of the Ministry of Infrastructure and Transport together with the Concessionaire, the Civil Protection of the regions concerned (through the Functional Centres) and the competent Hydraulic Authority of the Region

Community involvement is integrated into the strategic stages of corporate activities, with regular frequency and formal documentation through press releases, presentations and official agreements. Operational responsibility for ensuring the effectiveness of these processes lies with the External Relations and Sustainability Department. The effectiveness of the involvement is evaluated by monitoring the results of the signed agreements. CVA does not currently operate in areas inhabited by indigenous peoples nor has it identified particularly vulnerable or marginalized communities.

[S3-3] Processes to remedy negative impacts and channels for affected communities to raise concerns

Given the nature of its business, focused on renewable energy production, CVA does not generate significant negative impacts on surrounding communities. This evidence also emerged in the Double Materiality analysis, which did not find substantial criticalities in terms of negative impacts on communities. For this reason, the Group did not deem it necessary to set up specific channels or processes to remedy or help remedy any negative impacts, as they are not relevant to its operating context.

[S3-4] Actions on relevant impacts on affected communities and approaches for managing relevant risks and pursuing relevant opportunities for affected communities, as well as the effectiveness of these actions

Human rights and community-related incidents

The Group did not record any serious human rights problems or incidents in relation to the affected communities. Furthermore, in the light of the Double Materiality analysis, the issue is not relevant for CVA, since the Group's activities only generate positive impacts towards communities in terms of value generated for local suppliers, skills development, economic spin-offs, donations, sponsorships and support to local economies.

Positive impacts linked to the territory

CVA positioning

To strengthen its link with the territory and consolidate its positive impact, in 2024 CVA deepened its positioning in Valle d'Aosta with a survey by the Piepoli Institute on the company's image and notoriety among the citizens of Valle d'Aosta. The investigation took place in two phases:

- An exploratory phase, conducted through 2 online focus groups with citizens, to gather qualitative insights;
- An extensive phase, conducted with 250 telephone interviews (CATI) on a representative sample of the population in Valle d'Aosta, stratified by gender, age group (25-70 years), educational qualification and area of residence. The interviews, lasting an average of 10 minutes, were conducted on the basis of a structured questionnaire in order to ensure comparability of data.

The focus groups reveal an overall critical perception of the energy sector, which is often seen as distant from the end users mainly due to the presence of large operators, multinationals or foreign companies perceived as having little roots in the territory. In this context, CVA stands out as a positive exception, thanks to its strong ties with the Valle d'Aosta community. The company is in fact perceived as close to citizens, capable of offering quality services and competitive rates, demonstrating a concrete commitment to the well-being of the territory.

The Group is recognized as a sustainable, future-oriented company deeply rooted in the Valle d'Aosta region, with a strategic role in the socio-economic development of the area. Its active participation in local initiatives, particularly those dedicated to young people, is recognised, appreciated and valued as a sign of concern for the growth and cohesion of the social fabric.

Study on Shared Value

In order to assess the CVA Group's contribution to the economic development and welfare of Valle D'Aosta, an in-depth analysis was carried out by Althesys in 2024 to quantify the Shared Value generated by the Group along the entire regional chain in 2023, examining its impact on the socio-economic system. The project aims to monitor and evaluate the effectiveness of the Group's actions and initiatives on the communities concerned.

According to the results of the analysis, in 2023 the CVA Group generated a Shared Value of about EUR 531 million in Valle d'Aosta alone, an increase of 5.4% compared to 2022 (9.3% of regional GDP). The total Shared Value is composed of 64% direct spillovers (wealth generated directly by industrial and commercial activities), 34% induced spillovers (the higher private and public expenditure generated thanks to the wealth produced directly and indirectly in the different stages of the chain), and finally 2% indirect spillovers (the added value of the upstream and downstream segments of the analysed enterprise).

The largest share of this Shared Value (27.8%) remains in the company to support its financial stability and long-term development capacity, while 26.4% is distributed as a tax contribution to the region and 5.9% is absorbed by welfare and workers' net wages.

Moreover, the results show a strong capacity of CVA to generate and share value with the socio-economic system of Valle d'Aosta, thanks both to the production activities in the area and to 'exports'. In this context, the production phase accounts for the most significant share, with about 400 million euro Shared Value - 75% of the total Shared Value. In total, CVA contributes to the creation of about 1,582 FTE employees in the region: for every six employees of the Group, there are about seven in the Valle d'Aosta region.

These results confirm CVA's strategic role as an engine of economic growth, employment and environmental sustainability for Valle d'Aosta, highlighting the Group's ability to generate a lasting positive impact on the territory and make a concrete contribution to the well-being of local communities.

ExtraEAUrдинаire exhibition

On the occasion of DAM DAY, the European Dam Week, CVA organised a special event at the Castel Savoia in Gressoney-Saint-Jean, in collaboration with the FAI Valle d'Aosta delegation and the Valle d'Aosta Region's Department of Cultural Heritage and Activities. The initiative is part of a broader programme aimed at enhancing the Gabiet Dam, offering the public the opportunity to discover a unique landscape and to learn more about the area's hydroelectric infrastructure, as well as to create greater awareness in the communities in which CVA operates.

Among the most significant initiatives is the exhibition 'extraEAUrдинаire', which opened at the hydroelectric power station in Gressoney-La-Trinité. In cooperation with the FAI Valle d'Aosta and the Superintendence for Cultural Heritage, joint visits to the Gressoney-La-Trinité power station and Castel Savoia will also be organised. Other initiatives are in the pipeline and will be announced soon, testifying to CVA's commitment to enhancing the cultural and environmental heritage of Valle d'Aosta.

Visits to CVA plants

The CVA Group promotes knowledge and appreciation of its plant and infrastructure heritage by opening six hydroelectric power stations - Lillaz, Valpelline, Champagne 1, Maën, Gressoney and Pont-Saint-Martin - and the Place Moulin dam to the public. In 2024, these facilities welcomed 1,510 visitors, including schools, universities, associations, event participants, companies and private individuals, confirming the community's interest in sustainability and hydroelectric power generation processes.

Through a dedicated page on the Group's website, schools, residents and tourists can book a visit to the power plants accompanied by qualified guides, who explain the operation of the plants and the entire process of generating energy through hydroelectric power. The cost of the guides is supported by CVA for schools in Valle d'Aosta and for visits planned during the summer period.

Considering the importance of education on sustainability and respect for the environment, especially for future generations, the opportunity to visit the hydroelectric power stations, distributed throughout the territory, is part of a broad programme of summer events and activities offered to schools throughout the year. In 2024, a training course was started to qualify tourist and nature guides interested in accompanying visitors to the power plants. The course was attended by 81 participants, 48 of whom formalised their cooperation with CVA by signing an agreement. The first part of the course was theoretical, with cross-cutting information on CVA Group, followed by a test to ascertain the acquisition of the required skills. The second part, on the other hand, consisted of inspections at the facilities accessible for visits, with explanations on site.

Provision of STEM scholarships

As part of the initiatives in its Integrated Development Plan, which envisages the implementation of projects aimed at combining corporate growth with social sustainability and creating shared value in the region, in 2024 CVA announced five STEM (Science, Technology, Engineering and Mathematics) scholarships worth €5,000 each. The scholarships aim to support the entry of female students from Valle d'Aosta into degree courses in STEM disciplines, offering them the opportunity to pursue an academic education in a field still characterized today by a significant and persistent gender gap.

Skiing and Inclusivity

In order to promote an accessible and inclusive sports culture, a day dedicated to skiing for people with disabilities was held in Torgnon on 18 March 2024, jointly organised by CVA and the Associazione Valdostana Maestri di Sci (AVMS), with the support of Cervino S.p.A.. During the day, free Alpine and Nordic skiing lessons were offered, scheduled based on the number of registrations received.

The event is part of a multi-year agreement between CVA and AVMS, aimed at developing inclusive projects, introduction to skiing for children and teenagers and co-marketing initiatives. This collaboration is complementary to the actions already undertaken by the Regional Administration within the scope of the project "Skiing for all abilities", which strengthens the commitment towards a culture of sport accessible to all.

Renewable Thinking: the Renewable Energy Forum

In order to foster a constructive dialogue between the main players in the sector, the second edition of the Renewable Energy Forum 'Renewable Thinking', promoted by CVA in collaboration with The European House - Ambrosetti, under the patronage of Elettricità Futura and with the support of UniCredit, was held in Saint Vincent (Aosta) on 5 and 6 July 2024. The event aims at raising awareness, positive advocacy and strategic orientation on the role and evolution of renewable energy sources for the energy transition in Italy. The event brought together industry experts to discuss crucial topics such as decarbonisation, climate change and the opportunities for developing renewables, emphasising their central role in the energy transition path.

Growing Renewable - School Projects

With the aim of engaging and raising awareness in the communities in which it operates, CVA has been carrying out a series of initiatives for years as part of the sustainability awareness project "Growing Renewable - School Projects", offering students in Valle d'Aosta schools a series of educational experiences to explore the world of energy production from renewable sources.

LabEnergie is an initiative that is part of this project: through the use of workshop kits and educational videos, children have the opportunity to gain a practical understanding of how hydroelectric, wind and photovoltaic plants work, consolidating the theoretical knowledge acquired in the classroom through interactive experiments. In 2024, the project still aroused considerable interest, 14 classes from 6 different educational institutions were involved, with a total of 210 students, to be added to those in 2023, still in possession of the kits.

LabEnergie aims to stimulate creativity and critical thinking, adapting teaching content so that it can also be used by people with learning difficulties, all with the aim of promoting inclusion among students with different abilities. The main objective of this initiative is to raise awareness about the importance of renewable energy, promote environmental protection and educate new generations to consider sustainability as an essential value in everyday life.

As part of the same vein, CVA and the Forte di Bard Association have organised, in view of the success of the 2023 edition, a new free event aimed at all primary schools in Valle d'Aosta, to mark Earth Day. During this special day at the Fortress of Bard, CVA proposed a series of interactive workshops designed to allow children to discover and experience how water, wind and sun can be transformed into clean energy, offering them engaging and fun activities on the subject. In total, 821 children participated in the workshops.

Lastly, on the occasion of the Cactus International Children's and Youth Film Festival 2024, a film festival dedicated to children and pre-adolescents, CVA proposed a further series of hands-on and immersive workshops with the aim of entertaining children through the discovery of clean energy. The response was excellent, with 135 children participating in the workshops.

Investments to protect communities from extreme natural events

As part of the renovation of the Hône II hydroelectric plant, CVA planned a series of agreed investments for the benefit of neighbouring municipalities amounting to more than EUR 1 million. In particular, a camper van area, a MV power line and a tractor track will be built to serve the community. CVA also involves a large number of local businesses in the work, creating an important spin-off around this initiative. Lastly, the works have a preventive function with respect to hydrogeological instability, since the construction of the new diversion channel in a tunnel eliminates the risk of hydrogeological instability on the mountain slope.

The IT security systems of hydroelectric plants

In order to strengthen the security of Operation Technology (OT) systems and mitigate the risk of unauthorised access or cyber-attacks on the automation and protection systems of hydropower plants, CVA takes a multi-layered approach. Remote control equipment and software (e.g. SCADA) can only be accessed remotely via credentials and secure corporate network lines, while RTUs (Remote Terminal Units), although remotely accessible, do not allow changes and do not require authentication as they only provide a passive status display. Continuous monitoring of OT systems (PLCs, RTUs, PC Panels, etc.) is also ensured by the support of a specialised external supplier, which performs analysis and remediation activities. These measures are complemented by the implementation of dual factor authentication, constant training of TLC and IT staff in cybersecurity, selective blocking of Internet surfing to geopolitically sensitive areas, and insurance cover for cyber risks.

[S3-5] Objectives related to managing relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities

As part of the 'Empowering Communities' pillar of the Sustainability Goals of the Strategic Industrial Plan 2025-2029, which aims to foster the growth of its workforce and collaboration with communities, CVA has defined four medium-term objectives aimed at strengthening the relationship with stakeholders and the local area and fostering environmental education of communities.

Under the 'Future Proof' pillar, on the other hand, which aims to foster the safety and resilience of CVA's assets, the Group has defined a medium-term objective to ensure the continuous monitoring of the territories in which it is present with its plants.

The process of defining the Plan's objectives involved direct interaction with internal and external stakeholders. *For more information, please refer to SBM-1 page 82.*

Although the communities were not directly involved in the formulation and monitoring of the objectives below, the concerns of the affected communities are constantly listened to through regular meetings, participation in hearings with council bodies and discussion tables with trade associations. *For more information on community involvement please refer to S3-2 page 154.*

As part of the annual reporting, to ensure that CVA's performance is monitored, the External Relations and Sustainability Department plays a key role in monitoring progress on Group targets. Based on the results achieved year over year, CVA evaluates the opportunity to update or recalibrate business objectives.

Listening to stakeholders

In order to strengthen the dialogue with the territory and to enhance the dialogue with stakeholders, mitigating the risk of direct and indirect costs for their non-involvement, CVA aims to carry out at least 3 projects per year of listening to and discussion with key stakeholders.

In 2024, the objective was achieved thanks to participation in 9 meetings, including institutional activities such as meetings with the Valle d'Aosta Regional Council and the Upper Valley Council for Chavonne, stakeholder engagement during the Double Materiality Analysis and the organisation of 'Renewable Thinking', as well as listening tables with local authorities and initiatives in Sicily.

Target	Perimeter	2023 Baseline	2024 Results	2026 Objective
Listening and confrontation	CVA S.p.A.	3 meetings	9 meetings	At least 3 listening and discussion projects with key stakeholders per year

Environmental Education

To foster the dissemination of knowledge and skills in the field of clean energy and sustainability, CVA aims to involve students in experiential activities that allow them to learn by experiencing, with the aim of increasing the number of participants each year.

Target	Perimeter	2023 Baseline	2024 Results	2026 Objective
Increased student engagement	CVA S.p.A.	+918 students involved for a total of 14 secondary classes	- 1128 (+210 in 2024)	Increase in the number of students involved in environmental education activities each year

STEM scholarships

To foster the development of technical skills, stimulate interest in STEM paths and encourage girls to pursue these disciplines, CVA is committed to establishing dedicated scholarships for female students, with the goal of awarding at least five by 2026.

Target	Perimeter	2023 Baseline	2024 Results	2026 Objective
Provision of STEM scholarships	CVA S.p.A.	Launch of STEM scholarships initiative	5 STEM scholarships awarded	Raising local awareness of STEM pathways, increasing the participation of girls, with the awarding of 5 scholarships worth 5,000 euro

Corporate volunteering

In order to promote knowledge and appreciation of the local area, while enhancing the sense of cohesion and cooperation among employees, CVA has set the goal of activating a corporate volunteer programme to support local realities by 2026.

Target	Perimeter	2022 Baseline	2024 Results	2026 Objective
Activation of corporate volunteering initiatives	CVA S.p.A.	Benchmark analysis	Corporate training for employees on company-specific environmental issues - Experimental guidance to the Extraeuropeenne exhibition; - Partnership with FAI	Building a partnership with a national environmental agency to activate targeted corporate volunteering initiatives

Monitoring of territories

In order to ensure continuous monitoring of the areas in which it operates, and to prevent the impacts of exceptional natural events in the areas close to the dams, in 2024 CVA again achieved 100% monitoring of the territories and slopes affected by its facilities, through the use of satellite technology.

Target	Perimeter	2024	2026 Objective
Monitoring of areas with facilities	CVA S.p.A.	100% of monitored areas - Achievement of 320 km ² of monitored area	Continuous monitoring of 100% of the territories and slopes where CVA is present with its facilities

ESRS S4 – CONSUMERS AND END USERS

[SBM-2] Stakeholders' interests and opinions

CVA Group recognizes consumers and end-users as a key stakeholder group whose perspective significantly contributes to guiding the company's strategy and business model. The needs expressed by customers represent a key element in the decision-making process, influencing the evolution of the commercial offer and the definition of strategic priorities.

In response to a growing demand for sustainability and transparency, CVA develops tailor-made solutions, adapting its offerings to meet the demands of customers concerned about the environmental impact of their energy consumption. Furthermore, to meet the needs of large industrial customers and energy-intensive companies, the Group offers PPAs (Power Purchase Agreements), which guarantee long-term supplies at competitive conditions, while promoting the production of energy from renewable sources.

[SBM-3] Relevant impacts, risks and opportunities and their interaction with the strategy and business model

ESRS	Description	Value chain	Time horizon
S4 - Consumers and end users Information-related impacts for consumers and/or end-users Social inclusion of consumers and/or end-users	Positive impacts	Access to certified information through financial and sustainability reporting -Access to energy efficiency solutions and green energy supply	Own operations Short term
	Risks	-Reputational damage from prolonged service interruptions caused by abnormal weather events -Reputational risks and costs associated with breaches of Operation Technology systems and attacks on digital plant systems -Reputational risks arising from insufficient communication on Scope 3	The entire value chain and own operations Short and medium term
	Opportunities	-Improved reputation and brand image thanks to clear, quality information offered through local offices	Own and downstream operations Short term

CVA Group includes in this Disclosure all customers and end-users that may be significantly impacted by its operations, value chain, products, services and business relationships. CVA is committed to ensuring maximum transparency and protection of its customers' rights by adopting responsible practices throughout the entire supply chain.

CVA's clients, which include domestic consumers, apartment blocks, small VAT-registered entities, and large business customers, are among those protected in terms of rights, privacy, personal data security, freedom of expression, and non-discrimination. Moreover, they need clear, accurate and accessible information on the services offered in order to make informed decisions. Overall, CVA has not identified customers with specific characteristics or who are more exposed to risks than the rest of the clientele.

With regard to IROs, the Group generates positive impacts through access to certified information. This enables stakeholders to make informed choices about their energy strategies and sustainability practices. In addition, CVA promotes access to energy efficiency solutions and green energy supply through dedicated offers and awareness-raising initiatives, contributing to the dissemination of more sustainable practices among consumers.

Among the commercially relevant risks and opportunities, CVA identifies possible critical issues related to economic and reputational damage resulting from prolonged service interruptions caused by extreme weather events, which may compromise the continuity of energy supply and reduce customer confidence.

The Group's distribution company, DEVAL, adopts a procedure for handling these service emergencies in compliance with the provisions of Arera Resolution 617/2023 Annex A. A further risk concerns violations of Operation Technology (OT) systems and malicious actions on the automation and digital protection systems of hydroelectric plants, with potential negative impacts on operations, data security and corporate reputation. The Group also identifies the risk of reputational damage to investors and consumers in the event of poor external and internal communication relating to Scope 3 issues.

Among the opportunities, on the other hand, CVA recognises the potential improvement of reputation and brand image through the provision of clear, high quality information for the benefit of users, through the presence of territorial offices.

[S4-1] Consumer and end-user related policies

Information Security and Privacy Management

CVA takes a proactive approach to IT security, having certified CVA Energie's IT systems according to ISO/IEC 2700121 (Information Security Management) and ISO/IEC 27701 (Privacy Management) standards to prevent potential risks related to breaches of Operation Technology (OT) systems and malicious acts on the automation and digital protection systems of hydroelectric plants. These risks pose a threat to the confidentiality of user data and to the Group's business continuity, with possible economic and reputational impacts. In this regard, the visit to maintain the certifications of CVA and CVA Energia was successfully completed in 2023, confirming the Group's commitment to continuous improvement in security and data management.

The achievement of these certifications is the result of an integrated approach involving several corporate functions, leading to the development of dedicated procedures, the in-depth analysis of existing management flows and the implementation of more effective security measures. The IT Services Function is responsible for the Group's information security management system. Certifications are made available to internal stakeholders through publication on the company's intranet.

Access to certified financial statements and sustainability information is guaranteed through the publication of financial statements on the website, which also features a specific section dedicated to investors and a transparency section where the main performance indicators are reported.

Quality Management System

The companies Nuova Energia, RS Service, Sunnerg and RTS are certified according to ISO 9001, an international standard that defines the requirements for a Quality Management System, promoting an approach geared towards continuous improvement and customer satisfaction. Certification demonstrates that CVA is able to consistently provide products or services that meet customer needs and applicable legal or regulatory requirements. Certifications are made available to internal stakeholders through publication on the company's intranet.

RTS's commitment to Customer Energy Efficiency

RTS and Nuova Energia are certified according to UNI CEI 11352, which attests their competence as Energy Service Companies (ESCOs) in the provision of high quality energy services. This certification is a guarantee of reliability for customers, as it demonstrates the ability to design, implement and manage energy efficiency measures in an effective and measurable way.

Through UNI CEI 11352, Companies offer their customers customized solutions that not only optimize energy consumption, but also guarantee concrete and verifiable savings through Energy Performance Contracts (EPC). The certified approach is based on detailed energy analyses, constant performance monitoring and a commitment to continuous improvement, ensuring a transparent and results-oriented service. Certifications are made available to internal stakeholders through publication on the company's intranet.

21 RS Service is also ISO 27001 certified

Protection of human rights

In the year 2024, CVA did not record any human rights violations related to customers and end users.

Further relevant impacts, risks and opportunities

In relation to the risks and opportunities associated with access to certified information through reporting - both financial and non-financial - CVA has not adopted specific policies, considering existing practices adequate. Furthermore, the company has always drawn up transparent financial and non-financial reporting. As for the risk of prolonged service interruptions due to abnormal weather events, this is mitigated by the strategic role of essential facilities. On the Scope 3 emissions front, a structured disclosure process was initiated in 2025 and included in this document. Finally, with regard to reputation and brand image, CVA has long relied on its local offices as a direct channel of communication and transparency towards the public.

[S4-2] Consumer and end-user engagement processes on impacts

The CVA Group is committed to considering the point of view of consumers and end users in its decisions, ensuring careful management of impacts, both actual and potential. This is done through a transparent and constant dialogue. In fact, CVA directly involves consumer associations, recognising them as representatives of end-users. In this regard, a permanent consultation table was established on 16 May 2024, a space for discussion dedicated to the sale of electricity. This table can be activated on request via a dedicated e-mail address, allowing for continuous dialogue.

The involvement of end-users takes place on a regular basis, through different modalities that foster a continuous and constructive dialogue. CVA organizes periodic consultations with consumer associations, during which relevant information on company news, such as tariff changes, is shared, thus ensuring transparency and timeliness in communication. This is supported by the scheduled meetings of the permanent consultation table. Finally, CVA values direct consumer feedback through dedicated channels, including a specific online page available at www.cvaenergie.it/supporto. Through this tool it's possible to send reports, proposals and requests, encouraging active listening and contributing to the continuous improvement of the services offered. The Business Customer Function and Retail Customer Office are in charge of managing the business processes and communication with end users.

[S4-3] Processes to remedy negative impacts and channels for consumers and end-users to express concerns

In the event of problems reported by users, CVA activates a dedicated complaints management procedure aimed at identifying the causes of critical issues and defining effective corrective actions. The effectiveness of these remedies is evaluated by monitoring the outcomes of reports and analysing user satisfaction after the problem has been resolved, ensuring continuous process improvement.

CVA Energie provides several communication channels for customers to express concerns, needs or requests for assistance. Users can:

- Send e-mails to a dedicated address (clienti.business@cvaenergie.it);
- Contact the hotline for direct support;
- Submit written requests or complaints using the forms available on the CVA Energie website, in the support section (www.cvaenergie.it/supporto);
- Go to the four territorial offices to receive personalized assistance.

The Group supports the availability and effectiveness of these channels through centralised customer service management. The processes include continuous training of customer service personnel and periodic verification of the proper functioning of communication channels, both digital and physical.

In addition, the company constantly monitors service quality through Key Performance Indicators (KPIs) defined by the Regulatory Authority for Energy and Environment (ARERA) (MC1 "*Initiation and termination of the contractual*

relationship" and MC2 "Management of the contractual relationship and accessibility of the service") which highlight the level of quality of the services performed by the operator within the contractual relationship with users, with particular attention to the contractual service quality index. The issues raised are analysed to identify recurring trends, while the effectiveness of service channels is evaluated according to response times and customer satisfaction.

Overall, CVA is committed to ensuring that consumers are aware of the existence of support channels, through clear communication on the website, in information materials and at physical offices. Furthermore, the company adopts policies to protect users from retaliation in the event of reports or complaints, promoting a safe and transparent environment for the expression of their needs.

[S4-4] Actions on relevant impacts on consumers and end-users and approaches to mitigate relevant risks and achieve relevant opportunities in relation to consumers and end-users, and effectiveness of these actions

Access to services

CVA's contribution to grid balancing

To prevent reputational damage resulting from prolonged service interruptions caused by abnormal weather events, CVA has implemented a resilient energy management system. The Valpelline, Gressoney, Perrères and Maën-Cignana power plants are authorised by Terna to provide dispatching services, i.e. to manage energy flows on the Italian National Transmission Grid and through European Transmission System Operators (TSOs) on the Market Replacement Reserve (MRR) market, contributing to balancing the electricity grid.

One resilience factor of the system is the ability to respond positively to climatic and non-climatic events that disrupt the normal functioning of renewable energy supplies. In this context, the CVA plant fleet plays a fundamental role in the black start service²²: in fact, in the event of a blackout in the national electricity grid, the power plants of Valpelline, Avise, Perrères, Maën, Covalou, Pont-Saint-Martin, Gressoney, Sendren and Zuino are able to relaunch voltage on a portion of the network, allowing the activation of the thermal power plant of Trino, in Piedmont, which in turn supplies voltage to other power plants so that the national service is gradually reactivated. Another specific feature to guarantee continuity of service is the island operation of some of CVA's hydroelectric power plants, which are activated to guarantee the connection of the side valleys in the event of a grid outage.

Business continuity

To help strengthen the brand's reputation and image through the provision of clear, quality information, the CVA Group's electricity distribution company, DEVAL, has developed a free downloadable application for managing and monitoring the electricity supply, which provides customers with a clear and immediate overview of their utilities and any inconveniences related to the service.

Specifically, the application allows you to receive advance warnings in the event of scheduled power outages, allowing you to predict any inconvenience and organize yourself in advance. In addition, the customer is informed promptly in the event of faults involving the registered user, ensuring continuous and up-to-date communication. Among the main features, the application provides useful information to better understand the functioning of the electronic metre, in order to simplify the understanding of one's electricity supply and any operations to be carried out. Furthermore, through the app, the customer has the possibility of registering all supplies connected to DEVAL's network, facilitating the overall management of electricity utilities.

²² Black start is the ability to restore the supply of electricity after a total interruption of the power transmission system, without the aid of other external power sources

With respect to the risk of potential breaches of Operation Technology systems, in 2024, CVA's IT Function strengthened its industrial cybersecurity set-up by focusing on the protection of critical infrastructure, in particular wind and photovoltaic plants. The programme was created in response to the exponential growth of cyber threats directed at the OT world in recent years.

The main activities carried out included: on-site assessment for mapping, risk analysis and asset classification, the extension of detection and response technologies (Sophos NDR, Qualys VMDR) to the OT networks of the plants, the integration of OT logs into the cloud security data lake for unified monitoring and real-time visibility, the segmentation of remote accesses and the adoption of the Zero Trust paradigm on critical systems (SCADA, VMware, IBM Power, etc.) and the implementation of perimeter and internal firewalls to protect the local OT network from unauthorized access and lateral movements.

In 2024, CVA collaborated with Siemens to test the Scalance S industrial firewall via a Proof of Concept (POC) in the IT laboratory in Châtillon. The test simulated remote access by an external consultant to the OT network. Following the positive outcome, the first Siemens Scalance firewall was installed at the Alessandria photovoltaic plant on 17 December 2024.

[S4-5] Objectives related to managing relevant negative impacts, enhancing positive impacts and managing relevant risks and opportunities

As part of the 'Future Proof' pillar of the sustainability goals of the 2025-2029 Strategic-Industrial Plan, which aims to foster the safety and resilience of CVA's assets, the Group has defined a medium-term goal to ensure the robustness of its business processes and systems.

The process of defining the Plan's objectives involved direct interaction with internal and external stakeholders. *For more information, please refer to ESRS 2 SBM-1 page 82.*

Cyber Resilient Infrastructures

In order to mitigate the reputational risks and costs associated with breaches of Operation Technology systems and attacks on digital plant systems, and to ensure service continuity by enhancing and certifying the company's systems in terms of data privacy and data security, in 2024 CVA completed the review of the UNI CEI EN ISO/IEC 27001 (Information Technology - Security Techniques - Information Security Management Systems) and UNI CEI EN ISO/IEC 27701 (Information Privacy Management) certifications and defined the related improvement plans.

The ISO 27001 and 27701 certifications and associated procedures fulfil the purpose of managing information security for the remote control, operation and maintenance processes of wind, photovoltaic and hydroelectric plants. They also provide for the implementation of security procedures and best practices followed by the corporate population, which is regularly trained on cybersecurity issues. *For more information on ISO/IEC 27001 and 27701, please refer to S4-1 page 161.*

Target	Perimeter	2022 Baseline	2024 Results	2026 Objective
ISO 27001 and 27701	CVA S.p.A.	Obtained certifications ISO 27001 and 27701	ISO 27001 and 27701 audits and improvement plans	ISO 27001 and 27701 audits and improvement plans

INFORMATION ON GOVERNANCE

ESRS G1 – BUSINESS CONDUCT

[GOV-1] Role of administrative, management and supervisory bodies

The CVA Group (Compagnia Valdostana delle Acque) has adopted a 'Code of Ethics and Conduct' outlining the role and responsibilities of the administration, management and supervisory bodies in relation to business conduct. *For more information on the Code of Ethics and Conduct, please refer to S1-1 [page <?>](#).*

The document states that the Group's administrative, management and supervisory bodies are responsible for promoting and ensuring ethical and transparent business conduct. They must ensure that the company's activities are carried out in accordance with applicable laws, applicable regulations and the ethical principles outlined in the Code. They must also ensure that business decisions are made with integrity, accountability and respect for all stakeholders, including employees, customers, suppliers and the community. *For more information on the competences of administrative, management and supervisory bodies in matters of business conduct, please refer to ESRS 2 GOV-1 [page 78](#).*

[IRO-1] Description of the processes for identifying and assessing relevant impacts, risks and opportunities

ESRS	Description	Value chain	Time horizon
G1 - Business Conduct	Positive impacts	<ul style="list-style-type: none"> Prevention of active and passive corruption through training activities 	Own operations Short term
	Risks	<ul style="list-style-type: none"> Additional costs for monitoring suppliers' ESG compliance -Exposure to risks related to active or passive corruption -Potential risks related to cybersecurity attacks -Exposure to risks due to the inadequacy of MOG 231, the control framework or the lack of harmonization between the parent company and subsidiaries -Negative economic repercussions in case of failure to achieve the objectives of the 2023-2027 Integrated Plan 	The entire value chain and own operations Short and medium term
	Opportunities	<ul style="list-style-type: none"> Contribution to the national energy transition plan, through the promotion of proactive actions at political bodies to regulate the development of renewable energy 	The entire value chain Short term

The identification of impacts, risks and opportunities (IROs) in the area of governance was carried out through the experience and knowledge of the Regulatory Compliance Function, which drafts corporate policies and internal guidelines as part of its regular activities. Enterprise Risk Management (ERM) inputs were also integrated into this process. The evaluation of operations covers the entire CVA Group. *For more information, please refer to ESRS 2 IRO-1 [page 92](#).*

[G1-1] Policies on corporate culture and business conduct

Code of Ethics and Conduct

The drafting of the CVA Group's Code of Ethics and Conduct was guided by the awareness of the ethical, moral, social and environmental impact of the activities carried out by the Group's companies and the conviction that a constructive dialogue with stakeholders and a solid corporate reputation are fundamental elements of responsible management. Shared by all the companies of the Group, the Code is a binding reference that specifies the commitments and responsibilities of anyone operating in the name and on behalf of CVA Group, guiding the conduct of business and corporate activities in compliance with shared principles. *For more information on the Code of Ethics and Conduct, please refer to S1-1 [page <?>](#).*

The policies and related control framework *in the fight against active or passive corruption* are consistent with the best practices adopted to guard against corrupt offences that are a prerequisite for liability under Legislative Decree no. 231/2001, and do not currently extend to the timely integration of the dictates of the United Nations Convention.

Organization, Management and Control Model

To ensure an effective control system and mitigate governance-related risks, CVA Group has adopted an Organization, Management and Control (OMC) Model, which complies with Legislative Decree no. 231/2001. This tool allows to reduce the economic-financial and reputational risk deriving from an inadequate structuring of the control framework, as well as to harmonize the governance tools between the Parent Company and the controlled companies.

Although it is not an obligation but an option, CVA Group recognizes the MOG as a strategic opportunity to strengthen its governance culture. The document identifies risk areas, analyzes potential risk scenarios and assesses the adequacy of the existing control system, with the aim of improving it. This approach helps raise awareness among staff about the importance of controlling business processes, promoting active prevention of crimes and strengthening the culture of compliance.

All the administrative bodies of the CVA Group Companies have approved their own MOG, with the aim of defining a structured system of procedures and controls to prevent the different types of crimes envisaged by the Decree. Model 231 applies to:

- Administrators, Mayors and Managers of the Company;
- Employees and Temporary Workers;
- Collaborators, Consultants, Suppliers and other external parties, insofar as they work on behalf of the Company or within the scope of sensitive activities identified as 'Risk Areas'.

To ensure its effective application, each Group company has set up its own Supervisory Board (SB), endowed with decision-making and control autonomy. The Supervisory Board is responsible for:

- Monitoring the effectiveness and application of Model 231;
- Verifying the adequacy of the framework with respect to regulatory and organisational changes;
- Managing reports of irregularity through the *whistleblowing* platform, an essential tool for preventing crimes and violations.

To ensure maximum dissemination and awareness, Model 231 is made available to all employees, collaborators, administrators and mayors, with an extract published on the company website ([here](#)). Additionally, new hires are provided with a training/information kit, which ensures a thorough understanding of company rules and procedures. Each recipient, after having examined Model 231, signs a declaration of acknowledgement and formally undertakes to respect the principles and protocols contained therein.

Each of the CVA Group companies has set up its own Supervisory Board with autonomous powers of initiative and control. These Bodies have been entrusted with the task of supervising the implementation, compliance and updating of the various Organization, Management and Control Models of the various Companies, adopted pursuant to Legislative Decree no. 231/2001 and subsequent amendments and integrations. Furthermore, the Supervisory Bodies collaborate in complete independence with the management body of each Company and suggest to the latter any updates to the Code following regulatory changes and/or on the basis of reports received from the recipients.

Information Security and Privacy Management System Policy

CVA Group recognizes the strategic importance of protecting corporate information and safeguarding privacy in ensuring business continuity, stakeholder trust and compliance with regulatory requirements. In an environment of increasingly sophisticated cyber threats and growing data governance and protection regulation, the Information Security and Privacy Management System is designed to prevent, mitigate and manage risks related to cyber security, privacy governance and regulatory compliance.

CVA and CVA Energie have an Information Security Management System (ISMS) and a Privacy Management System (PMS), both certified in accordance with the UNI CEI EN ISO/IEC 27001 (Information Technology - Security Techniques - Information Security Management Systems) and UNI CEI EN ISO/IEC 27701 (Privacy Information Management) standards. *For more information on the ISO/IEC 27001 and 27701 certifications, please refer to S4-1 page 161.*

Mechanisms for reporting misconduct and protection of whistleblowers

As part of its commitment to ethical, transparent and responsible management, CVA Group has implemented a structured system for identifying, reporting and investigating unlawful conduct or conduct that does not comply with the Code of Ethics and Conduct, company procedures and the Organization, Management and Control Model (MOG 231).

In accordance with Legislative Decree no. 24/2023, which implements Directive (EU) 2019/1937 on whistleblowing, CVA Group has established an internal whistleblowing channel to enable the reporting of violations in a secure and confidential manner. The tool is accessible to all recipients of Model 231, as well as to other subjects identified by the Whistleblowing Decree, according to the methods described in the specific Procedure for reporting crimes and irregularities (Whistleblowing), adopted by the Group.

Through this system, employees, collaborators and external stakeholders can report possible violations, benefiting from protective measures that guarantee:

- Absolute confidentiality of the identity of the reporter and the information provided.
- Prohibition of retaliation and discrimination, direct or indirect, against whistleblowers reporting in good faith.
- Impartial and timely handling of reports by qualified personnel, with the involvement of the Supervisory Bodies (SBs) of Group companies.
- Possibility of reporting possible retaliation to ANAC, in accordance with the provisions of the Whistleblowing Decree.

In addition to providing secure reporting tools, CVA Group actively promotes staff training, raising employee awareness of the importance of *whistleblowing* and the correct ways to use internal channels. Staff in charge of handling reports receive specific training to ensure the impartial, timely and effective handling of each case.

The Organization, Management and Control Models, adopted pursuant to Legislative Decree no. 231/2001, of the various companies in the Group provide for the prohibition of retaliation and the establishment of a disciplinary system in compliance with Legislative Decree no. 24/2023 - Whistleblowing Decree. Companies shall take all necessary measures to ensure that retaliatory or discriminatory acts, whether direct or indirect, against the whistleblower for reasons directly or indirectly linked to the report are prohibited, as well as to ensure the confidentiality of all persons involved. To this end, reports may be transmitted in the manner provided for by law and described within the specific Procedure for Reporting Offences and Irregularities (Whistleblowing) adopted by the Companies. Specifically, paragraph 8.2 'Prohibition of retaliation' provides for the provision of support measures for whistleblowers, as well as the possibility for the latter to inform ANAC of the retaliation they believe they have unfairly suffered as a result of a report.

The Risk Assessments, attached to the Organization, Management and Control Models, adopted pursuant to Legislative Decree no. 231/2001 indicate that all company structures are potentially exposed to corruption risks.

[G1-2] Supplier relationship management

CVA has adopted a Procurement Regulation that regulates how suppliers are identified and the procedures for awarding, concluding and executing contracts. This regulation is based on a complex regulatory framework, which includes the Civil Code, anti-mafia legislation, workplace safety regulations (Legislative Decree no. 81/2008) and the protection of the contractor's workers (Art. 1676 of the Civil Code and Art. 29 of Legislative Decree no. 276/2003). The aim is to ensure maximum cost-effectiveness and transparency, fostering competition between potential private contractors and optimising the achievement of corporate goals. As far as the payment policy is concerned, CVA provides that payments are only made after the necessary documentation has been obtained and in accordance with the established contractual terms.

When selecting suppliers, CVA requires UNI EN ISO 14001:2004 certification as an essential requirement, thus taking environmental criteria into account when awarding the contract. The selection of suppliers is mainly based on parameters such as the level of openness of the market, the repetitiveness of the purchase and the amount of the contract.

[G1-3] Prevention and detection of active and passive corruption

The CVA Group has implemented a system of tools and procedures to prevent, detect and manage episodes of active and passive corruption, ensuring constant monitoring of business activities and the adoption of corrective measures to counter unethical behaviour or behaviour in breach of regulations.

To this end, the Group has integrated Special Part I into its Organization, Management and Control Model (MOG 231), dedicated to crimes in relations with the Public Administration, adopted by all the companies of the Group (CVA, CVA Energie, Valdigne Energie, CVA Eos, Deval).

The Model is supported by complementary documents and procedures:

- Code of Ethics and Conduct, which defines the fundamental principles of integrity and transparency.
- Procedure 'Management of fulfilments and authorisations with the PA', which regulates how to interact with public bodies to ensure regulatory compliance.
- Procedure 'Management of Visits, Inspections and Controls by Public Officials', aimed at regulating relations with control and supervisory authorities.
- Whistleblowing procedure, which ensures a safe, anonymous and secure channel for reporting any wrongdoing.

Through this framework, the Group ensures an effective internal control system aimed at the prevention and management of unlawful conduct, with particular attention to the obligations laid down in Legislative Decree no. 231/2001. In line with Model 231, CVA Group has established a Supervisory Board (SB) with autonomous powers of initiative and control, which operates independently of the corporate management chain.

The Supervisory Board has the task of monitoring the effectiveness and application of the Model 231 and, in exceptional cases, may request an internal investigation on its own, availing itself of the support of third parties if necessary. This separation ensures impartiality and transparency in the management of audits and possible internal investigations. In addition, the Supervisory Board (SB) reports periodically to the Board of Directors (BoD), ensuring a constant flow of information between the supervisory bodies and the administration and management bodies. To ensure the dissemination and understanding of its anti-corruption policies, CVA Group uses internal communication tools such as company circulars and official press releases, which inform staff about the adoption of new procedures and regulatory updates. Furthermore, the Group has implemented a periodic training program on Model 231, aimed at all personnel, without distinction of role. The training consists of:

- Initial training for new hires, with a dedicated information kit.
- Regular sessions for all staff to ensure ongoing updates on regulations and best practices.
- Specific training for the functions most exposed to corruption risks, such as procurement, sales and legal.

As for the members of the Board of Directors (BoD), they attend dedicated training sessions on Model 231, organized within the framework of Board meetings. Finally, CVA publicizes the issuance of new procedures through internal communications, ensuring that all corporate functions are informed of regulatory changes.

[G1-4] Confirmed cases of active or passive corruption

In the year 2024, there were no convictions for violations of the laws against active and passive corruption.

[G1-5] Political influence and lobbying activities

Associations of which CVA is a part

Aiming to seize the opportunities arising from active participation in the national community committed to the energy transition plan, through the promotion of proactive actions to the political bodies in charge of addressing and legislating for the development of renewable energies, CVA Group stands out for its constant commitment in the association context, demonstrating involvement in the promotion of development and innovation in the sector. Among the main associations of which the Group is a part, we can mention:

- **Utilitalia:** it is the Federation that brings together companies operating in the public services of Water, Environment, Electricity, and Gas, representing them before national and European Institutions. It was born from the merger of Federutility (energy and water services) and Federambiente (environmental services).
- **Elettricità Futura:** is the main association of the Italian electricity sector. It represents and protects the many companies, large and small, operating in the electricity sector in Italy. Today Elettricità Futura has over 700 operators with plants throughout the country, numbers that make it a point of reference for the entire electricity sector and place it among the most important associations at European level. Giuseppe Argirò, the CEO of the CVA Group, serves as vice president with a mandate for hydroelectric power in Elettricità Futura.
- **Kyoto Club:** is a non-profit organization, officially founded in February 1999, made up of companies, institutions, associations and local administrations, committed to the reduction of greenhouse gas emissions under the Kyoto Protocol and the European goals for 2030.

The External Relations and Sustainability function is responsible for managing relations with the above-mentioned industry associations.

The signing of Utilitalia's 'Pact for Water'

In order to promote proactive actions with political bodies to regulate the development of renewable energies, at a time of crisis aggravated by climate change, the Italian companies in the water sector, members of Utilitalia, are teaming up to put their industrial expertise at the service of the country. CVA is among the signatories of the 'Pact for Water', an initiative to support national policies for environmental and resource protection, resilience of networks and supply systems.

In parallel with business efforts, four reform actions are outlined to address fragmentation in the sector, improve management, foster business aggregation and promote an integrated approach to water use. These actions include completing the transfer of functions to the Regions, strengthening management capacities, supporting mergers between companies and supporting a coordinated approach to water management in collaboration with other sectors and uses of the resource.

Prizes and Awards

The soundness of the system of governance and business conduct adopted by CVA is also confirmed by external and independent bodies.

In 2024, the CVA Group and its subsidiaries CVA EOS and RS SERVICE received the Industria Felix Award, confirming their financial strength and market competitiveness. In particular, the three companies have been awarded the High Financial Statements Award, distinguishing themselves among the best companies in North-West Italy for management performance and financial reliability. Specifically, CVA and CVA EOS excelled in the energy and utilities sector, while RS SERVICE came out on top in the construction and building sector.

The award, promoted by the cultural association Industria Felix in collaboration with Cerved Rating Agency, is reserved for entrepreneurial excellence characterized by efficient management and economic-financial stability, as a testimony to the CVA Group's constant commitment to solid and responsible growth.

As a confirmation of its leadership in the field of sustainability, CVA was also included among the Sustainability Leaders 2024, an award presented by Il Sole 24 Ore in cooperation with Statista, an independent German research institute. This award recognizes the most cutting-edge Italian companies for their attention to employees, the environment and society.

During the year, the CVA Group also won a silver medal from EcoVadis, a global sustainability rating platform. With a ranking in the 90th percentile globally, CVA has been recognized for its ESG performance, in particular for the areas: Environment, Labour and Human Rights, Ethics and Sustainable Procurement.

This award underlines CVA Group's ongoing commitment to integrating sustainability, social responsibility and ethical governance criteria into its industrial development strategies, consolidating its role as a key player in the Italian energy and business landscape.

[G1-6] Payment practices

CVA adopts different payment terms depending on the type of contract and the counterparty involved. In the private sector, contracts provide for payment to be due on the third to last working day rather than 90 days from the invoice date. In some cases, payment terms are negotiated with suppliers, allowing for a reduction of the average term to 60 or 30 days if a trade discount is granted.

- Private suppliers: standard 90 days, unless negotiated agreements for reductions to 60 or 30 days in exchange for discounts;
- Foreign suppliers: specific terms are agreed;
- Public sector: payment always guaranteed within 30 days.

100% of payments are aligned with the terms specified above.

In 2024, CVA²³ recorded an average invoice payment time of 11.32 days. This value is calculated on the basis of the Days Payable Outstanding (DPO), an indicator that measures the average days of deferment granted by suppliers and represents the time taken by the company to settle its commercial obligations.

For some subsidiaries, payment management is separate from the parent company, in particular RS Service has commercial agreements with large distributors that require payments at 150/180 days, while for the provision of services (mainly subcontractors) or equipment rental the expected times are 60 days with a DPO of 94.5 days in 2024; 70% of Nuova Energia's suppliers have agreed to pay at 60 days and the company's average payment time is 56 days; RTS pays 70% of suppliers at 30 days, while the remaining 30% are paid upon order (advance payment).

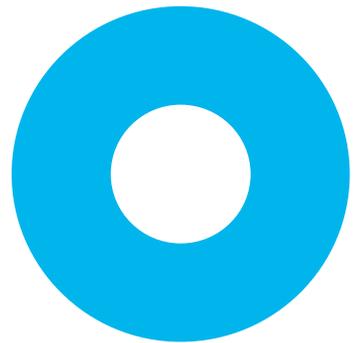
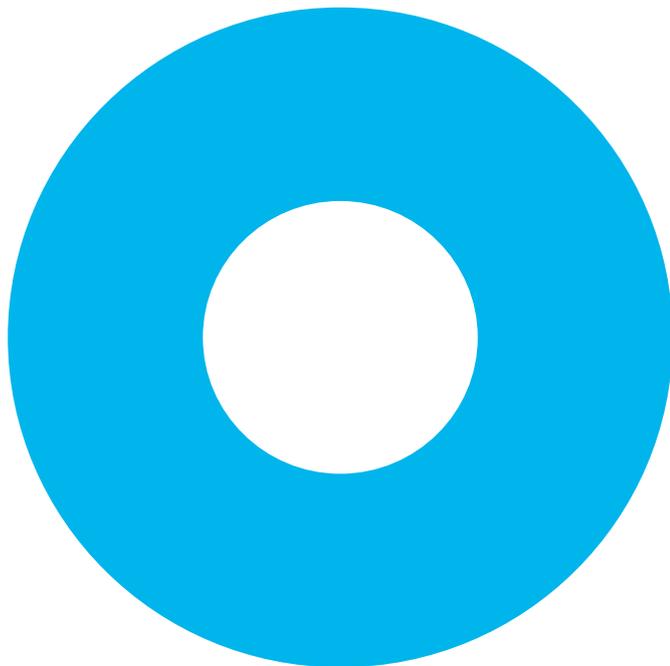
There is only one pending proceeding in respect of which the contractor has sued CVA S.p.A. before the Court of Aosta to obtain an order against the latter for the payment of certain unpaid invoices, plus default interest, relating to the contract for the execution of certain revision works in one of the company's power plants.

CVA S.p.A. has appeared in court requesting the dismissal of the plaintiff's claims as unfounded and, counterclaiming:

- the declaration of the reduction in the price of the contract due to the incompleteness of the work, the defects present and the consequent lower value of the work itself;
- the contractor's conviction to pay the penalties specified in the contract for delays in completing the work;
- the contractor's conviction to pay an amount for the additional damages suffered by CVA S.p.A. due to the contractor's serious breach.

The hearing is scheduled for 25 June 2025; the deadlines f

23 The data includes the companies: CVA S.p.A., CVA Energie, Valdigne Energie, CVA Eos and Deval.



CONSOLIDATED ANNUAL FINANCIAL REPORT OF THE CVA GROUP



Financial Statements

Consolidated Balance Sheet Assets and Liabilities

Amounts in Euro thousands	Notes	2024	2023
ASSETS			
Non-current assets			
Tangible assets	(12) - (14)	1,031,244	942,947
Intangible assets	(13) - (14)	71,445	26,009
Goodwill	(15)	471,077	419,531
Equity investments	(16)	23,213	23,780
Deferred tax assets	(17)	48,065	76,758
Non-current tax receivables	(23)	74,486	19,351
Assets for non-current financial derivatives	(24)	170	1,556
Other non-current financial assets	(18)	51,710	46,804
Trade receivables	(21)	1,919	89,709
Other non-current assets	(19)	9,311	5,081
TOTAL NON-CURRENT ASSETS		1,782,640	1,651,525
Current assets			
Inventories	(20)	41,030	18,444
Trade receivables	(21)	226,417	241,252
Receivables for income taxes	(22)	5,842	17,825
Current tax receivables	(23)	74,641	42,606
Assets for current financial derivatives	(24)	11,260	103,779
Other current financial assets	(25)	18,561	10,889
Other current assets	(26)	114,382	77,325
Cash and cash equivalents	(27)	346,941	378,624
TOTAL CURRENT ASSETS		839,073	890,743
Assets classified as held for sale		395	-
TOTAL ASSETS		2,622,109	2,542,268

Amounts in Euro thousands	Notes	2024	2023
SHAREHOLDERS' EQUITY			
Share capital	(28)	395,000	395,000
Other reserves	(28)	436,878	470,708
Accumulated Profits/(Losses)	(28)	123,401	78,570
Net result of the year	(28)	213,240	157,488
Shareholders' equity attributable to the Group		1,168,519	1,101,766
Shareholders' equity - Minority interests		36,626	24,256
TOTAL SHAREHOLDERS' EQUITY		1,205,145	1,126,022
LIABILITIES			
Non-current liabilities			
Employee benefits	(29)	7,391	6,139
Provisions for risks and charges	(30)	25,981	22,516
Deferred tax liabilities	(17)	103,751	125,843
Liabilities for non-current financial derivatives	(24)	1,084	1,088
Other non-current financial liabilities	(31)	509,172	856,232
Other non-current liabilities	(32)	25,547	24,236
TOTAL NON-CURRENT LIABILITIES		672,926	1,036,054
Current liabilities			
Employee benefits	(29)	1,307	1,130
Provisions for risks and charges	(30)	1,109	1,010
Trade payables	(33)	173,557	181,242
Payables for income taxes	(34)	37,059	2,925
Other tax payables	(34)	4,060	21,865
Liabilities for current financial derivatives	(24)	31,688	31,456
Other current financial liabilities	(31)	432,118	100,890
Other current liabilities	(35)	63,140	39,674
TOTAL CURRENT LIABILITIES		744,037	380,192
Liabilities related to assets held for sale		-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,622,109	2,542,268

Consolidated Income Statement

Amounts in Euro thousands	Notes	2024	2023
REVENUES			
Revenues from sales and services	(1)	1,374,245	1,627,075
Other revenues and income	(2)	43,046	32,196
Change in contract work in progress	(3)	(10,170)	(1,511)
TOTAL REVENUES (A)		1,407,121	1,657,759
of which: impact of non-recurring items		-	803
OPERATING COSTS			
Costs for raw materials and services	(4)	881,505	1,236,875
Personnel costs	(5)	64,580	49,681
Other operating costs	(6)	59,277	90,598
Capitalised days of work	(7)	(13,335)	(8,759)
TOTAL OPERATING COSTS (B)		992,027	1,368,394
of which: impact of non-recurring items		(209)	35,874
EBITDA (A-B)		415,095	289,365
of which: impact of non-recurring items		209	(35,071)
AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS			
Amortisation/Depreciation	(8) - (14)	88,742	77,196
Provisions and write-downs	(9)	513	655
TOTAL AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS (C)		89,255	77,851
of which: impact of non-recurring items		(458)	(1,932)
EBIT (A-B+/-C)		325,839	211,514
of which: impact of non-recurring items		668	(33,139)
FINANCIAL MANAGEMENT			
Financial income	(10)	18,709	15,237
Financial expenses	(10)	32,706	7,801
TOTAL FINANCIAL BALANCE (D)		(13,997)	7,436
of which: impact of non-recurring items		-	25,691
PRE-TAX RESULT (A-B+/-C+/-D)		311,843	218,950
of which: impact of non-recurring items		668	(7,448)
Income tax	(10)	86,341	(8,267)
income / (expense)	(11)	93,073	59,635
Net result of continuing operations		218,770	159,315
NET RESULT OF DISCONTINUED OPERATIONS			
		-	-
PERIOD NET RESULT			
Profit/(loss) attributable to the Group		218,770	159,315
Profit/(loss) attributable to non-controlling interests		213,240	157,488
Basic earnings per share (Euro)		5,530	1,827
Diluted earnings per share (Euro)		0.54	0.40
		0.54	0.40

Consolidated Statement of Other Comprehensive Income

Amounts in Euro thousands	Notes	2024	2023
Result of the period (A)	(27)	218,770	159,678
Other components of the Comprehensive Income Statement that can be reclassified to the Income Statement in subsequent periods (net of the tax effect)			
- Effective portion of changes in fair value of cash flow hedges	(28)	(95,464)	217,598
- Share of change in fair value attributable to cost of cash flow hedging (cost of hedging)	(28)	72,815	(39,099)
Total other components of Comprehensive Income that can be reclassified to the Income Statement in subsequent periods (net of the tax effect) (B)		(22,649)	178,500
Other components of Comprehensive Income that cannot be reclassified to the Income Statement in subsequent periods (net of taxes)			
- Remeasurement of liabilities for defined benefit plans for employees	(28)	115	(281)
Total other components of the Comprehensive Income Statement that cannot be reclassified to the Income Statement in subsequent periods (net of taxes) (C)		115	(281)
Total profit/(loss) recognised directly in equity (B+C)		(22,534)	178,219
TOTAL PROFIT RECOGNISED IN THE YEAR (A+B+C)		196,236	337,897

Consolidated Statement of changes in equity items

Amounts in Euro thousands

	Share capital	Other reserves	Reserve from remeasurement for employee benefit plans	Cashflow hedge reserve	Cost of hedging reserve	Net result of the year	Group shareholders' equity	Shareholders' equity - Minority interests	Total shareholders' equity
At 01 January 2023	395,000	459,689	(1,101)	(63,943)	(83,634)	163,975	869,985	8,888	878,873
Allocation of 2022 profits/(losses)									
- profits carried forward	-	129,965	-	-	-	(129,965)	-	-	-
- distribution of dividends	-	(41,001)	-	-	-	(34,010)	(75,011)	(187)	(75,198)
Comprehensive profit/(loss) recognised in the year									
- profits and losses recognised directly in equity	-	-	(281)	217,598	(39,099)	-	178,219	-	178,219
- profit for the year	-	-	-	-	-	157,488	157,488	1,827	159,315
Other changes	-	(28,915)	-	-	-	-	(28,915)	13,729	(15,186)
At 31 December 2023	395,000	519,738	(1,382)	153,655	(122,733)	157,488	1,101,766	24,256	1,126,022
At 01 January 2024	395,000	519,738	(1,382)	153,655	(122,733)	157,488	1,101,766	24,256	1,126,022
Allocation of 2023 profits/(losses)									
- profits carried forward	-	82,438	-	-	-	(82,438)	-	-	-
- distribution of dividends	-	-	-	-	-	(75,050)	(75,050)	(1,300)	(76,350)
Comprehensive profit/(loss) recognised in the year									
- profits and losses recognised directly in equity	-	-	111	(95,464)	72,815	-	(22,538)	-	(22,538)
- profit for the year	-	-	-	-	-	213,240	213,240	5,530	218,770
Other changes	-	(48,899)	-	-	-	-	(48,899)	8,140	(40,759)
At 31 December 2024	395,000	553,277	(1,272)	58,191	(49,918)	213,240	1,168,519	36,626	1,205,145

Consolidated Cash Flow Statement

Amounts in Euro thousands	2024	2023
A. Cash flows from operating activities (indirect method)		
Profit (loss) of the year	218,770	159,315
Income taxes	93,073	59,635
Net financial interest expenses	14,166	(6,999)
Allocations and income provisions for risks and charges	(3,581)	(1,609)
Allocations and reversal to income of employee severance indemnity (TFR) and other benefits	2,428	657
Amortisation/Depreciation of fixed assets	88,742	77,196
Bad debts	5,775	1,128
Write-downs, revaluations and gains/losses	954	1,875
Result from shareholdings carried at equity	22	1
Other adjustments for non-monetary elements	69,574	141,957
CASH FLOW AFTER ADJUSTMENTS OF NON-MONETARY ITEMS	489,923	433,156
Changes in NWC		
Decrease/(increase) in trade receivables net of write-downs	96,849	(135,275)
Increase/(decrease) in payables to suppliers	(7,685)	95,149
Increase/(decrease) in other current assets/liabilities	(172,998)	142,205
of which: net taxes (paid)/reimbursed	(46,047)	(98,122)
Changes in NWC	(83,835)	102,078
CASH FLOW AFTER CHANGES IN NWC	406,088	535,235
Other changes not included in changes in NWC		
Net change in provisions for risks and charges	2,539	(9,877)
Net change in Employee severance indemnity (TFR) and other employee benefits	(1,055)	703
Change in other assets and liabilities not included in NWC	(2,919)	516
Other changes not included in changes in NWC	(1,434)	(8,658)
CASH FLOW FROM OPERATING ACTIVITIES (A)	404,654	526,577
B. Cash flows from investment activities		
(Investments)/divestments - Tangible assets	(172,393)	(407,583)
(Investments)/divestments - Intangible assets	(49,659)	(14,363)
(Investments)/divestments - Equity investments and goodwill	(49,772)	(203,982)
(Investments)/divestments or repayments - Financial assets (current and non-current)	(12,306)	(26,503)
CASH FLOWS FROM INVESTMENT ACTIVITIES (B)	(284,130)	(652,432)
Interest collected/(paid)	(18,811)	(28,193)
Borrowed capital	(18,993)	390,355
Increase/(decrease) in financial assets/liabilities centralised treasury	-	-
New/(Repayment of) loans	(18,993)	390,355
Equity	(114,404)	(84,345)
Other capital increases (decreases)	(39,354)	(9,334)
Dividends (and interim dividends) paid	(75,050)	(75,011)
CASH FLOW FROM FINANCING ACTIVITIES (C)	(152,208)	277,817
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(31,684)	151,961
Of which net cash and cash equivalents from extraordinary transactions	-	-
Cash and cash equivalents at 1 January	378,624	226,663
Cash and cash equivalents at 31 December	346,941	378,624

Notes to the Consolidated Financial Statements

Form and content of the financial statements

The Consolidated Financial Statements of the CVA Group for the year ended 31 December 2024 have been prepared on the basis of the business operating as a going concern and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, as well as the legislative and regulatory provisions in force in Italy. IFRS refers to all the revised international accounting standards (IAS/IFRS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the Standing Interpretations Committee (SIC).

In this regard, it is noted that the accounting standards and criteria applied to these financial statements comply with those adopted in the previous year, except for the "Accounting standards, amendments and interpretations approved and applied from 1 January 2024", to which reference is made.

The Consolidated Annual Financial Report has been prepared on a general historical cost basis, with the exception of items that under IFRS must or can be measured at fair value. The Consolidated Financial Statements for the year 2024 consist of the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Statement of the other components of the Consolidated Comprehensive Income Statement, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related Notes to the Consolidated Financial Statements.

In accordance with IAS 1 (Presentation of Financial Statements) comparative information included in the consolidated financial statements refers, unless otherwise indicated, to the previous year. Where a better representation has required a different reclassification of the items in the financial statements, the comparative information has been adapted accordingly.

The reporting currency of the consolidated financial statements is the Euro. Unless otherwise indicated, the financial statements and related notes are presented in thousands of Euros, rounded off to the nearest business unit.

It is specified that for the Consolidated Balance Sheet, the classification of assets and liabilities is carried out according to the "current/non-current" criterion - as required by paragraph 60 and following of IAS 1 - with specific separation of assets and liabilities discontinued or destined to be sold.

An asset is considered current when:

- it is expected to be realised, or is held for sale or consumption, in the normal course of the operating cycle;
- it is held mainly for the purpose of negotiating it;
- it is expected to be realised within twelve months of the closing date of the year;
- it consists of cash or cash equivalents unless it is forbidden to exchange it or use it to settle a liability for at least twelve months from the closing date of the financial year.

All other assets are classified as non-current.

Similarly, a liability is considered current when:

- it is expected to be settled in its normal operating cycle;
- it is held mainly for the purpose of negotiating it;
- it must be settled within twelve months of the closing date of the year; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months of the closing date of the year.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Consolidated Income Statement is classified according to the nature of costs, as this form of presentation is considered more appropriate for representing the Group's economic activities, complies with internal reporting procedures and is in line with the practices of the reference industrial sector. In addition to the Operating Result, the Consolidated Income Statement shows the Gross Operating Margin obtained by subtracting total operating costs from total revenues. For more information on the Alternative Performance Indicators (API) adopted by the Group and different from the financial indicators expressly provided for by the IAS/IFRS international accounting standards, reference is made to the Report on Operations.

The Consolidated Statement of Changes in Equity has been prepared in accordance with the provisions of IAS 1.

The Statement of Comprehensive Income includes the profit or loss for the year as shown in the income statements and all other non-owner changes in equity.

The Consolidated Cash Flow Statement is presented using the indirect method as permitted by IAS 7.

Furthermore, in the Income Statement, income and expenses relating to transactions which by nature do not occur during normal operation (non-recurring transactions) have been specifically identified and their impact has been shown separately, when they are significant.

The Group uses the "net presentation" method to represent the trading margin of electricity trading activities in the income statement, considering that the new presentation - together with the related explanatory notes - provides a better representation of the substance of the transaction as required by the reference accounting standards.

Standards and scope of consolidation adopted in preparing the Consolidated Financial Statements

Subsidiaries

The Consolidated Financial Statements include the financial statements of CVA and its subsidiaries at 31 December 2024. Control is obtained when the Group is exposed or entitled to variable returns, deriving from its relationship with the investee and, at the same time, has the ability to impact these returns by exercising its power over such entity. Specifically, the Group controls an investee if, and only if, the following conditions are met:

- the Group exercises its power over the investee (or holds valid rights that give it the current ability to manage the relevant activities of the investee);
- the Group is exposed or has rights to variable returns arising from the relation with the entity of the investment;
- the Group has the ability to exercise its power on the entity of the investment to affect the amount of its returns.

Generally, there is a presumption that the majority of voting rights entails control. In support of this presumption and when the Group holds less than the majority of voting rights (or similar rights), the Group considers all the relevant facts and circumstances to determine whether it controls the investee, including:

- contractual agreements with other holders of voting rights;
- rights deriving from contractual agreements;
- voting rights and potential voting rights of the Group;
- a combination of the above.

The Group reconsiders whether or not it has control of an investee if the facts and circumstances indicate that there have been changes in one or more of the elements relevant to the definition of control. The consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses control. The assets, liabilities, revenues and costs of the subsidiary acquired or sold during the year are included in the Consolidated Financial Statements from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.

The profit (loss) for the year and each of the other components of Comprehensive Income are attributed to the shareholders of the parent company and minority holdings, even if this implies that the minority holdings have a

negative balance. When necessary, appropriate adjustments are made to the Financial Statements of the subsidiaries, in order to ensure compliance with the Group's accounting standards. All assets and liabilities, equity, revenues, costs and inter-group financial flows relating to transactions between Group entities are derecognised completely during the consolidation phase.

Changes in the investment in a subsidiary that do not involve the loss of control are recognised in equity.

If the Group loses control of a subsidiary, it must derecognise the related assets (including goodwill), liabilities, minority interests and other components of equity, while any profit or loss is recognised in the Income Statement.

Associated Companies

Companies in which the Group exercises significant influence, but not control (or joint control), on financial and operating policies are considered associated. The Consolidated Financial Statements include the Group's portion of the results of associates, accounted for using the equity method, from the date on which significant influence commences until the time said significant influence ceases to exist. Should the portion attributable to the Group of any losses of the associate exceed the carrying value of the investment in the financial statements, the value of the investment is set to zero, and the excess share of the additional loss is not recognised, except and to the extent in which the Group is responsible.

Equity Method

Investments in joint ventures and associates are accounted for using the equity method.

Under the equity method, investments are initially recognised at purchase cost, allocating, similarly to what is provided for business combinations, the consideration paid to the identifiable assets and liabilities of the investee; any unallocable excess represents goodwill, which is not recognised separately but is included in the carrying amount of the investment. The allocation, made provisionally at the date of initial recognition, may be adjusted, with retroactive effect, within the following twelve months to reflect new information regarding facts and circumstances that existed at the initial recognition date. Subsequently, the carrying amount is adjusted to reflect: (i) the investor's share of the investee's results generated after the acquisition date, adjusted to take into account the effects of amortisation and any impairment of the higher values attributed to the investee's assets; and (ii) the investor's share of the other components of the investee's comprehensive income. Dividends distributed by the investee are recognised as a reduction in the carrying amount of the investment. For the purposes of applying the equity method, adjustments required for the consolidation process are taken into account.

Business combination

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is determined at the acquisition date and corresponds to the fair value of the assets transferred, the liabilities assumed, and any equity instruments issued by the acquirer. The consideration transferred also includes the fair value of any contingent consideration arrangements that are contractually agreed and dependent on the occurrence of future events.

At the acquisition date, the net assets of the acquired entities are recognised by allocating the fair value to each identifiable asset and liability, except where IFRS prescribe a different measurement criterion. Any difference between the consideration transferred and the fair value of the net assets acquired, if positive, is recognised as an asset under "goodwill"; if negative, it is recognised in profit or loss.

In the case of non-controlling interests, the share of equity attributable to third parties is determined based on their proportionate interest in the fair values assigned to the assets and liabilities at the acquisition date, excluding any attributable goodwill (so-called partial goodwill method).

In the case of step acquisitions, the total purchase cost is determined by adding together the fair value of the previously held interest in the acquiree and the amount paid for the additional shareholding. The difference between the fair value of the previously held interest and its carrying amount is recognised in profit or loss. Furthermore, at the acquisition date, any amounts previously recognised in other comprehensive income are reclassified to profit or loss or to another component of equity, where reclassification to profit or loss is not required.

Where the allocation of the acquiree's assets and liabilities is performed provisionally in the financial year in which the business combination is completed, the recognised values may be adjusted, with retroactive effect, within twelve months from the acquisition date, to reflect new information on facts and circumstances that existed at the acquisition date.

Scope of Consolidation

The scope of consolidation includes companies that the Parent Company directly or indirectly controls, joint ventures and associated companies. The details of the Group's scope of consolidation at 31 December 2024 are shown below.

List of companies included in the Consolidated Financial Statements on a line-by-line basis at 31 December 2024

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
Compagnia Valdostana delle Acque – Compagnie Valdôtaine des Eaux S.p.A. a s.u.	Euro 395,000,000 fully paid-in	Chatillon (AO), Via Stazione, 31	Parent Company
CVA Energie S.r.l. a s.u.	Euro 3,000,000 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Deval S.p.A. a s.u.	Euro 38,632,000 fully paid-in	Aosta (AO), Via Clavalitè 8	100.00%
CVA EOS S.r.l. a s.u.	Euro 75,000,000 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Valdigne Energie S.r.l.	Euro 11,474,567 fully paid-in	Pré Saint Didier (AO), P.za Vittorio Emanuele II 14	75.00%
SR Investimenti S.r.l.	Euro 20,202.02 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Sunnerg Group S.r.l.	Euro 300,000 fully paid-in	Chatillon (AO), Via Stazione, 31	60.00%
Sunnerg Ltd	GBP 500 paid in	Croydon, 46 Nova Road – UNITED KINGDOM	60.00%
Sunnerg Renewable Service S.r.l.	RON 49,250 paid in	Bucharest, Str. Popa Petre, 5, CORP A, Office 502, 5th Floor – ROMANIA	60.00%
Sunnerg Construction S.r.l.	RON 200 paid in	Bucharest, POPA PETRE Street, No. 5, CORP A, BIROU S8 - ROMANIA	60.00%
Eolica Cancellara S.r.l.	Euro 100,000 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy IX S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy VII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy X S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XX S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XXIV S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XXV S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XXVI S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XXVII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
SV LAND S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Mars Solar S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
Tep Renewables (Vittoria 2 PV) S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Alpha Solare S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Gamma Sun S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Orbitale S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Byopro DEV 2 S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Agro Solar I S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Agro Solar II S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Aje S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Be Ascoli S.r.l.	Euro 30,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Corvo S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Denergia Sviluppo Holding S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Energia Due S.r.l.	Euro 1,044,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Energia Sei S.r.l.	Euro 20,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Energia Uno S.r.l.	Euro 1,048,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Enki Impianti Fotovoltaici S.r.l.	Euro 40,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Har Projects S.r.l.	Euro 30,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Helio Trinitapoli S.r.l.	Euro 311,126.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Lindo S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Me Progetto Uno S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Medusa Energia Solare S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Mottalciata.PV S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Nettuno Solar S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Onda Solare S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Sicilia Energy S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), area Rigutino Ovest 253/B	100.00%
Solar Italy VIII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XI S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
SR Investimenti 2 S.r.l.	Euro 200,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Sviluppo S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Tridente Solar S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Valle S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Vivaterra Green S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
Solar Italy XIX S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XXII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XVIII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XIII S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Solar Italy XXI S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
Agreen Energy S.r.l.	Euro 10,000,000.00	Chatillon (AO), Via Stazione, 31	70.00%
CVA Smart Energy S.r.l.	Euro 10,000,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
R.T.S. S.r.l.	Euro 1,000,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	70.00%
EOS San Giorgio S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
EOS Monte Rughe S.r.l.	Euro 10,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	70.00%
Nuova Energia S.r.l.	Euro 50,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	75.00%
RS Service S.r.l.	Euro 500,000.00 fully paid-in	Chatillon (AO), Via Stazione, 31	70.00%
Renenergetica S.p.A.	Euro 1,108,237.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 146 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 148 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 152 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 154 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 156 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 157 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 158 SRL	Euro 1,500.00 fully paid-in	Catania (CT), Corso Italia 302	65.00%
REN 159 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 160 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 165 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 166 SRL	Euro 1,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 167 SRL	Euro 1,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 168 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 169 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 170 SRL	Euro 1,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 171 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 172 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 173 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
REN 175 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 176 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 177 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 178 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 179 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 180 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 182 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 183 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 184 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 185 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 186 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 187 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 188 SRL	Euro 1,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 190 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 191 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 192 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 193 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 194 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 195 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 196 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 197 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 198 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 199 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 200 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 203 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 204 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 205 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 206 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 207 SRL	Euro 1,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 208 SRL	Euro 1,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	100.00%
REN 209 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
REN 210 SRL	Euro 10,000.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 211 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 212 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 213 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 214 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 215 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%

List of equity investments not fully consolidated at 31 December 2024

Associated companies

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
EOS San Severo 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
EOS Serra 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
EOS Serra 2 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
Byopro DEV 3 S.r.l.	Euro 10,000.00 fully paid-in	Rome (RM), Via Sardegna	20.00%
Cairone 1 S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
Cairone 3 S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
Clanis Sun S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), area Rigutino Ovest 253/B	20.00%
Duna Solare S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
Fila Sviluppo S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
Fioriti S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
GRIFONI PV S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%
Maiella Solare S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
Nora Solare S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
PFM S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
Poggio Olivastro S.r.l.	Euro 10,000.00 fully paid-in	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%
Salomone 1 S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
San Giorgio Rinnovabili Prima S.r.l.	Euro 10,000.00 fully paid-in	Trieste (TS), Via Carducci 8	20.00%
Sant'Alessio Rinnovabili Prima S.r.l.	Euro 10,000.00 fully paid-in	Trieste (TS), Via Carducci 8	20.00%
Siamaggiore S.r.l.	Euro 10,000.00 fully paid-in	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%
Sicilia Power S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), area Rigutino Ovest 253/B	20.00%
Solar Liri S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
Solar PV Uno S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%
Sole d'Abruzzo S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
SR Foggia 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
SR Toritto 01 S.r.l.	Euro 10,000.00 fully paid-in	Montemesola (TA), Viale Degli Ulivi SNC	20.00%
SR Troia 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%

Company Name	Share capital	Registered office	% of ownership (direct or indirect)
STM22 S.r.l.	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
STM24 S.r.l.	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
STM25 S.r.l.	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
STM26 S.r.l.	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
Tep Renewables (Chiamonte Gulf 1 PV) S.r.l.	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
Tep Renewables (Licodia Eubea 1 PV) S.r.l.	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
Tep Renewables (Scioli 1 PV) S.r.l.	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
Tep Renewables (Vittoria 1 PV) S.r.l.	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
Vittoria Progetti S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
Vittoria Sviluppo S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
Fresagrandinara Wind S.r.l.	Euro 10,000.00 fully paid-in	Santopadre (FR), Via Don G. Corda 20	20.00%
Tuffillo Wind S.r.l.	Euro 10,000.00 fully paid-in	Santopadre (FR), Via Don G. Corda 20	20.00%
Grande Rinnovabili S.r.l.	Euro 10,000.00 fully paid-in	Trieste (TS), Via Carducci 8	20.00%
SR Manfredonia 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
SR Manfredonia 2 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
Solar RF S.r.l.	Euro 2,000.00 fully paid-in	Montemesola (TA), Viale Degli Ulivi SNC	20.00%
Rosa del Deserto 1 S.r.l.	Euro 10,000.00 fully paid-in	Rome (RM), Via Sardegna 41	20.00%
Telcha S.r.l.	Euro 17,667,500.00 fully paid-in	Chatillon (AO), Via Stazione, 31	10.98%

Other companies

At 31 December 2024, CVA holds:

Thousands of Euro							
INVESTMENT	REGISTERED OFFICE	OWNERSHIP %	SHARE CAPITAL	SHAREHOLDERS' EQUITY	OF WHICH: NET PROFIT / (LOSS) FOR THE YEAR	GROUP'S SHARE OF EQUITY	CARRYING AMOUNT OF THE INVESTMENT
Le Brasier S.r.l.	Viale del convento, 15 Morgex - AO	13.70%	1,053	1,061	16	145	145
Bonifiche Ferraresi S.p.A. Società Agricola	Salita San Nicola da Tolentino Roma	3%	261,883	764,930	12,226	22,948	12,000
Fondazione I.T.S.	Via Cesare Battisti, 10 Pinerolo - TO	0%	0	0	0	0	8

Main changes in the scope of consolidation in 2024

The year 2024 saw a change in the scope of consolidation with the entry of a significant number of companies. The following table summarises the companies that entered the scope and the relevant date of first consolidation.

Company Name	Report	Date of first consolidation
Sunnerg Group S.r.l.	SUBSIDIARY	27/05/2024
Sunnerg Ltd	SUBSIDIARY	27/05/2024
Sunnerg Renewable Service S.r.l.	SUBSIDIARY	27/05/2024
Sunnerg Construction S.r.l.	SUBSIDIARY	27/05/2024
Eolica Cancellara S.r.l.	SUBSIDIARY	20/12/2024
Solar Italy IX S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy VII S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy X S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy XII S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy XX S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy XXIV S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy XXV S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy XXVI S.r.l.	SUBSIDIARY	01/08/2024
Solar Italy XXVII S.r.l.	SUBSIDIARY	01/08/2024
SV LAND S.r.l.	SUBSIDIARY	01/08/2024
Mars Solar S.r.l.	SUBSIDIARY	26/02/2024
Tep Renewables (Vittoria 2 PV) S.r.l.	SUBSIDIARY	12/06/2024
Alpha Solare S.r.l.	SUBSIDIARY	26/02/2024
Gamma Sun S.r.l.	SUBSIDIARY	26/02/2024
Orbitale S.r.l.	SUBSIDIARY	16/04/2024
Byopro DEV 2 S.r.l.	SUBSIDIARY	19/12/2024
Solar Italy XXI S.r.l.	SUBSIDIARY	01/08/2024
REN 211 SRL	SUBSIDIARY	25/11/2024
REN 212 SRL	SUBSIDIARY	25/11/2024
REN 213 SRL	SUBSIDIARY	25/11/2024
REN 214 SRL	SUBSIDIARY	25/11/2024
REN 215 SRL	SUBSIDIARY	25/11/2024
STM26 S.r.l.	ASSOCIATE	19/12/2024
Fresagrandinara Wind S.r.l.	ASSOCIATE	16/10/2024
Tufillo Wind S.r.l.	ASSOCIATE	16/10/2024
Grande Rinnovabili S.r.l.	ASSOCIATE	19/09/2024
SR Manfredonia 1 S.r.l.	ASSOCIATE	01/02/2024
SR Manfredonia 2 S.r.l.	ASSOCIATE	18/11/2024
Solar RF S.r.l.	ASSOCIATE	03/05/2024
Rosa del Deserto 1 S.r.l.	ASSOCIATE	25/05/2024

Summary of the main accounting standards adopted in preparing the Consolidated Financial Statements

Revenues

As required by IFRS 15, revenue recognition is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations identified on the basis of the stand-alone sale price of each good or service; (v) recognition of the revenue when the relative performance obligation is satisfied, i.e. when the promised good or service is transferred to the customer; the transfer is considered completed when the customer obtains control of the good or service, which can occur continuously over time diluted and extended or at a point in time. With reference to the assessment of progress toward full compliance to do, the Group generally applies the output-based method. Where the outcome of a long-term obligation to do is not reliably estimable, revenue is recognised within the limits of external contract costs, with no margin recognised.

Depending on the type of transaction, the main revenues are recognised on the basis of the following specific criteria:

- revenues for the sale and transport of electricity and gas are recognised at the time that the energy is supplied or the service rendered, even if invoicing has not yet taken place, and are determined by adding estimates of consumption to amounts resulting from pre-established meter-reading schedules. Where applicable, these revenues are based on the tariffs and related tariff restrictions in force during the year prescribed by the law and ARERA. In particular, with regard to the sale of energy, the time of transfer of control can be identified as the time of consumption (for end customers) or physical delivery (for wholesale customers);
- revenues from services are recorded with reference to the stage of completion of the activities. If it is impossible to calculate revenues on a reliable basis they are recognised up to the amount of the costs incurred providing they are expected to be recovered. With reference to operations in the field of building efficiency, the service towards the customer is identified as a single performance obligation. Revenues are recognised in the financial statements using the output method and the relevant margins are only recognised against Works Progress Reports approved by the Works Management as an element certifying the accrual of the margin itself;
 - connection fees paid by users are measured at fair value when there is the reasonable certainty that they will be received and that the Group will be able to comply with the terms and conditions for recognising them. Revenues from connection to the electricity network are closely related to the nature of the regulatory obligations in place; therefore, certain electricity network connection services are deferred on the basis of the nature of the obligation resulting from the contract with customers;
 - revenues from the sale of certificates are recognised at the time of sale thereof.
 - Revenues for contract work are valued according to the logic of the "completed order" as the group only has contracts with a duration of less than 12 months;
 - Revenues are recognised, net of returns, discounts, allowances and premiums.

The Group has generally concluded that it acts as the "Principal" in the agreements that generate revenues, as it usually controls the goods and services before they are transferred to the customer. The status of Principal was also recognised with reference to the activity of General Contractor in the energy efficiency sector, where, although acting through subcontractors, the Group is primarily responsible for the execution of services and has the discretion to set their prices. In determining the price of the sale of the assets, the Group considers any effects deriving from the presence of variable fee, significant financing components and/or non-monetary fees. The Group also considers whether there are other promises in the contract that represent obligations to make to which a part of the transaction fee must be allocated.

The following section "Significant Accounting Estimates" explains the significant discretionary evaluations, estimates and assumptions relating to revenues deriving from contracts with customers.

Grants

Grants, both from public entities and from third party private entities, are measured at fair value when there is the reasonable certainty that they will be received and that the Group will be able to comply with the terms and conditions for obtaining them.

Grants related to plants received for specific assets are recognised, when they become payable, as deferred revenue and recognised as income in the Income Statement systematically during the useful life of the asset to which they refer. The deferred revenue relating to the grants themselves is reflected in the balance sheet as other liabilities, with appropriate separation between the current portion and the non-current one.

Revenue grants (given to provide the company with immediate financial support or as compensation for expenses or losses incurred in a previous accounting period) are recognised in their entirety in the Income Statement as soon as the conditions for recognising the grants are met.

Tax relief on investments

Tax relief on investments are handled as capital grants. Where the relief is granted in the form of a tax deduction (even a multi-year one) from income taxes, it is entered only when there is a reasonable certainty of having a future tax liability on which to exercise that deduction. The right to the deduction is represented as a tax credit recorded as an income tax receivable.

Environmental certificates: Guarantee of Origin Certificates

Guarantee of Origin certificates issued against the production of electricity by IGO-certified plants are considered to be held for own-use, i.e. against own requirements. Certificates that have been issued or for which the right to issue has accrued are entered in inventories at production cost, which is deemed to be zero.

With regard to certificates bought and sold by third parties to the Group, different valuation criteria are applied between certificates held for own-use, i.e. for own requirements, and those held for trading purposes. In both cases, certificates held at the end of the financial year are entered in inventories at the lower of purchase cost and estimated realisable value based on market trends.

The market value is defined with reference to any sales contracts, including forward contracts, already signed at the reporting date and, residually, to market quotations.

The valuation of the obligations undertaken towards customers (to whom energy is supplied) for the cancellation of Guarantee of Origin Certificates takes into account the inventories in the Group's possession and only if a further requirement is recognised, an estimated charge is allocated on the basis of any purchase contracts, including forward contracts, already signed at the reporting date and, residually, market quotations.

Other income

Other income includes all types of revenues not included in the previous types and not of a financial nature and are recognised according to the methods indicated above for revenues from the sale of goods and provision of services.

Costs

Costs are measured at fair value of the amount paid or to be paid, net of returns, discounts, rebates and premiums, and net of taxes directly associated with the purchase of goods and provisions of services.

Costs for the acquisition of goods and services are recognised when their amount can be determined reliably. Costs for the purchase of goods are recognised at the time of delivery, which on the basis of the contracts in force identifies the time of transfer of the related risks and benefits. Costs for services are recognised on an accrual basis when they are received.

The costs for purchasing certificates are accounted for at the time of actual acquisition.

Dividends

Dividends are recognised when the unconditional right to receive payment is established and are classified in the Income Statement as financial income.

Other financial income and expenses

With reference to assets and liabilities valued at amortised cost and financial assets that accrue interests classified as available for sale, interest income and expense are recognised using the effective interest rate method (TIE), which represents the rate that exactly discounts expected future cash flows based on the expected life of the financial instrument.

Financial income is recognised when the following conditions are met:

- it is likely that the selling company will enjoy the economic benefits of the transaction;
- the amount of revenues can be determined reliably.

Borrowing costs are recognised as costs for the year in which they are incurred.

Compensation of financial assets and liabilities

An asset and a liability (financial and/or trade) may be offset and the net balance shown in the Statement of Financial Position, when:

- there is a current legal right to offset the amounts recognised in the accounts; and
- there is the intention to settle the net residual, or realise the asset and at the same time settle the liability.

Impairment of non-financial assets (impairment testing)

On each reporting date, the Group assesses whether there is evidence that an asset may be impaired. In this case, or if annual impairment testing is required, the Group estimates the recoverable value. Recoverable amount is the fair value of the asset or the CGU, net of selling costs, or its value in use if greater. Recoverable amount is determined for each individual asset, except when the asset generates cash flows that are not fully independent from those generated by other assets or groups of assets. If the carrying amount of an asset is higher than its recoverable amount, the asset is considered impaired and is consequently written down to its recoverable amount.

In measuring value in use, the Group discounts the forecast cash flows to their present value, using a discount rate that reflects the market assessment of the current value of money and the specific risks associated with the asset. In determining the fair value less costs to sell, recent transactions on the market are taken into account. If these transactions cannot be identified, an appropriate valuation model is used.

The Group bases its impairment test on detailed budgets and forecast calculations, prepared separately for each CGU. These budgets and forecast calculations generally cover a period of five years. To project future cash flows beyond the fifth year, a long-term growth rate is calculated.

The impairment of continuing operations is recognised in the annual profit/(loss) statement in the cost categories consistent with the function of the impaired assets. Exceptions are previously revalued assets, where the revaluation was recognised as other components of Comprehensive Income. In such cases, the impairment loss is in turn recognised as other components of Comprehensive Income up to the previous revaluation. At each reporting date, the Group assesses the existence of indications of the loss (or reduction) of previously recognised impairment losses and, if such indications exist, estimates the recoverable value of the asset or of the CGU. The value of a previously impaired asset is only reinstated if the assumptions used to determine its recoverable amount change after recognition of the last impairment. The recovery in value cannot exceed the carrying amount that would have been determined, net of amortisation/depreciation, had no impairment been recognised in prior years. Such recovery is recognised in the annual profit/(loss) statement unless the asset is recognised at a revalued amount, in which case the recovery is treated as a revaluation increase. In any case, goodwill cannot be reinstated following a write-down.

Income taxes

Current taxes

Current tax assets and liabilities for the year are measured for the amount expected to be recovered or paid to the tax authorities. The tax rates and tax laws used to calculate the amount are those enacted or substantially in force at the reporting date.

Current taxes related to items recognised directly in shareholders' equity are also recognised in shareholders' equity and not in the annual profit/(loss) statement.

Deferred taxes

Deferred taxes are calculated on the temporary differences at the reporting date between the tax values of assets and liabilities and the corresponding carrying amounts.

Deferred tax assets are also recognised for tax receivables and unused tax losses that can be carried forward, to the extent that it is probable that sufficient future taxable income will be available to allow the use of the tax reduction.

The book value of deferred tax assets is reviewed at each reporting date and reduced when it is no longer probable that sufficient taxable income will be available in the future to allow the full or partial use of such receivable. Unrecognised deferred tax assets are reviewed at each reporting date and are recognised to the extent that it becomes probable that the taxable income will be sufficient to allow the recovery of these deferred tax assets. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which those assets will be realised or those liabilities will be settled, considering the rates in effect and those already enacted, or substantively enacted, at the reporting date.

Deferred taxes relating to items recognised outside the Income Statement are also recognised outside the Income Statement and, therefore, as shareholders' equity or in the Comprehensive Income Statement, in line with the element to which they refer. Deferred tax assets and deferred tax liabilities are offset if there is a legal right that allows compensation of current tax assets and current tax liabilities and the deferred taxes refer to the same taxpayer and the same tax authority.

Pillar Two Model Rules

In 2023, with Legislative Decree No. 209/2023 implementing EU Directive 2022/2523, Italy enacted the Pillar Two Model Rules, effective from 1 January 2024. The Pillar Two rules aim to ensure that large multinational enterprises (meeting certain thresholds) are subject to a minimum level of income taxation in each jurisdiction where they operate. The Pillar Two rules did not have any impact on current income taxes. CVA has applied the exemption, as provided for by the amendments to IAS 12, from recognising deferred tax assets and liabilities related to Pillar Two income taxes and from providing disclosures in the financial statements.

Tangible assets

Property, plant and equipment

Property under construction, equipment and plants are recorded at historical cost, net of the related accumulated depreciation and accumulated impairment losses. Pursuant to IAS 16, an operating condition for an item of property, plant and equipment may require significant regular checks for any failures, regardless of whether the parts of the item are replaced; when each significant check is carried out, its cost is recognised in the carrying amount of the asset as a replacement, provided that the recognition criteria are met.

The historical cost of property, plant and equipment may also include the costs for the replacement of part of machinery and plant at the time they are incurred, if they comply with the recognition criteria. Where periodic replacement of significant parts of plant and equipment is necessary, the Group depreciates them separately based on their specific useful life. Likewise, during major revisions, the cost is included in the carrying amount of the plant or equipment as in the case of replacement, where the criterion for recognition is met.

All other repair and maintenance costs are recognised in the Income Statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset.

The useful life of leasehold improvements is determined on the basis of the duration of the lease or, if lower, of the duration of the benefits deriving from the improvement itself; land is not depreciated as it has an indefinite useful life.

The carrying amount of an item of property, plant and equipment and any significant component initially recognised is derecognised at the time of disposal or when no future economic benefit is expected from their use or disposal. Any profit or loss that arises at the time the asset is derecognised (calculated as the difference between the carrying amount of the asset and the net amount) is recognised in the Income Statement when the item is derecognised.

The residual values, useful lives and depreciation methods of tangible assets are reviewed at the end of each financial year and, where appropriate, corrected prospectively.

Freely transferable assets

Tangible assets also include freely transferable assets that are subject to the concessions mainly referable to large water diversions and state-owned areas destined for the operation of such plants. These assets are normally depreciated over a period equal to the duration of the concession to which they refer, with the sole exception of work on wet works, for which, pursuant to Art. 12, paragraph 1 of Legislative Decree No. 79 of 16 March 1999, by Art. 11-quater, paragraph 1, letter a) of Decree Law No. 135 of 14 December 2018, converted into law, with amendments, by Art. 1 of Law No. 12 of 11 February 2019, there is an indemnity in favour of the concession-holder, liquidated at the time of the "reallocation of the concession" and equal to the residual book value of the investment. These assets are therefore depreciated on the basis of their useful economic and technical life. Assets that can be returned free of charge also include cyclical maintenance for cleaning and draining the basins, which is capitalised as it is intended to ensure the future functionality of the asset. The useful life of these interventions is determined on the basis of the multi-year cyclicity with which they must be carried out.

Financial expenses

Financial expenses directly attributable to the acquisition, construction or production of an asset that requires a period long enough before being available for use are capitalised on the cost of the asset. All other financial expenses are recognised as costs for the year in which they are incurred. Financial expenses consist of interest and other costs incurred by an entity in relation to obtaining loans.

Right of use of leased assets

In accordance with IFRS 16, lease liabilities are presented through the recognition of a financial liability in the statement of financial position consisting in the present value of future lease payments, against the recognition of the right of use of the leased asset.

On the commencement date of the lease, the right of use is recognised at cost including: the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, initial direct costs incurred for the signature of the lease and the present value of the estimated restoration and dismantling costs set out in the lease, less any incentives.

Subsequently, the right of use is amortised over the term of the lease (or the useful life of the asset, if lower), subject to impairment and adjusted for any remeasurement of the lease liability.

Intangible assets

Intangible assets are assets that are not physical, identifiable, controlled by the company, and that can produce future economic benefits.

Intangible assets acquired separately are initially recognised at cost, while those acquired through business combinations are recognised at fair value on the acquisition date. After initial recognition, intangible assets are recognised at cost, net of accumulated amortisation and accumulated impairment, if any.

The useful life of intangible assets may be definite or indefinite. Intangible assets with a definite useful life are amortised over their useful life and tested for impairment whenever there is evidence of a loss of value. The amortisation period and the amortisation method of an intangible asset with definite useful life are reconsidered at least at the end of each year.

Changes in the expected useful life or in the manner in which the future economic benefits related to the asset will be realised are recognised through the change in the period or amortisation method, as the case may be, and are considered changes in accounting estimates. The amortisation of intangible assets with definite useful life is recognised in the annual profit/(loss) statement in the cost category that reflects the function of the intangible asset. Amortisation is calculated on a straight-line basis over the estimated useful life of intangible assets.

Intangible assets with indefinite useful life are not amortised but are subject to an annual impairment test at an individual level or at cash generating unit level. The valuation of the indefinite useful life is reviewed annually to determine whether this allocation continues to be sustainable, otherwise, the change from indefinite useful life to definite useful life is applied on a prospective basis.

The profits or losses deriving from the derecognition of an intangible asset are calculated as the difference between the net revenue from the disposal and the carrying value of the intangible asset and are recognised in the Income Statement at the time of derecognition.

Goodwill

Goodwill arising from the acquisition of subsidiaries or business units represents the excess of the sum of i) the consideration agreed for the acquisition of control (measured at fair value at the acquisition date) ii) the value of any non-controlling interest, and the value of the net assets identifiable in the acquired business. Net assets are defined as the total value of assets, measured at fair value, expressed net of current and contingent liabilities relating to the acquired business, also measured at their fair value. If the fair value of the net assets acquired exceeds the agreed consideration, the Group rechecks that it has correctly identified and valued all the assets acquired and all the liabilities assumed, reviewing, if necessary, the procedures used to determine these values. If after this restatement, the current values of current and potential assets and liabilities exceed the acquisition cost, the excess is immediately recognised in the Income Statement.

Goodwill is initially recorded at cost. After initial recognition, goodwill is not subject to amortisation, but subjected to an annual verification of recoverability in accordance with the methods described in the paragraph "Impairment test". For the purposes of the impairment test, goodwill is allocated, from the acquisition date, to each cash generating unit (hereinafter "CGU") identified.

Equity investments

As illustrated in the previous paragraph dedicated to the standards and scope of consolidation of the Group:

- investments in subsidiaries are consolidated on a line-by-line basis;
- investments in associates are accounted for in the Consolidated Financial Statements using the equity method;
- investments in other companies are measured at fair value with a counter-entry in the income statement. When a market value is not available or the fair value cannot be reliably determined using other methods, the share of the investee company's equity is used as the best estimate. The risk arising from potential losses exceeding the carrying value of the investment is recognised in a specific provision as long as the controlling company is committed to fulfil the legal or implicit obligations towards the subsidiary or to cover its losses.

Non-current assets held for sale

A non-current asset (or a disposal group consisting of assets and liabilities) is classified as held for sale if its carrying amount will be recovered mainly through a sale transaction, rather than through its continued use. Immediately prior to the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset are valued in accordance with the Group's accounting standards. Subsequently, the asset (or group held for sale) is measured at the lower amount between its carrying amount and fair value less costs to sell. The impairment loss of a group held for sale is allocated primarily to goodwill, then to the remaining assets and liabilities in a proportional manner, with the exception of inventories, financial assets, deferred tax assets, employee benefits, property investments and biological assets, which continue to be assessed in accordance with the Group's accounting standards. Impairment losses for the initial classification of an asset as held for sale and subsequent valuation differences are recognised in the Income Statement. Positive changes in value are recognised only up to the amount of any accumulated impairment losses.

Other financial assets

Initial recognition and subsequent evaluation

Upon initial recognition, financial assets are classified, as the case may be, on the basis of subsequent measurement methods, i.e. at amortised cost, at fair value in OCI and at fair value in profit or loss. The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the business model that the Group uses to manage them.

With the exception of trade receivables that do not contain a significant financing component or for which the practical expedient was applied, as envisaged by paragraph 63 of IFRS 15, the Group initially values a financial asset at its fair value plus transaction costs, in the case of a financial asset not at fair value through the Income Statement. Trade receivables that do not contain a significant financing component or for which the Group has applied a practical expedient are valued at the transaction price determined in accordance with IFRS 15.

The Group's Business model for the management of financial assets refers to the way in which it manages its financial assets in order to generate financial flows. The business model determines whether the cash flows will arise from the collection of contractual cash flows, the sale of financial assets or both.

For the purposes of subsequent evaluation, financial assets are classified in the following four categories:

- **financial assets at amortised cost (debt instruments)**, if both of the following requirements are met:
 - o the financial asset is held as part of a Business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows;
 - o the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest on the amount of principal to be repaid.

Financial assets at amortised cost are subsequently valued using the effective interest method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or revalued.

- **financial assets at fair value through Comprehensive Income with reclassification of cumulative gains and losses (debt instruments)**, if both of the following requirements are met:
 - o the financial asset is held as part of a Business model whose objective is achieved both through the collection of contractual cash flows and through the sale of financial assets;
 - o the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest determined on the amount of principal to be repaid.

For assets from debt instruments measured at fair value through OCI, interest income, changes in exchange rates and impairment losses, together with reversals, are recognised in the Income Statement and are calculated in the same way as for financial assets measured at amortised cost. The remaining changes in fair value are recognised in OCI. Upon derecognition, the cumulative change in fair value recognised in OCI is reclassified to the income statement.

- **Financial assets at fair value through profit or loss without reversal of cumulative gains and losses at the time of derecognition (equity instruments)**. On initial recognition, the Group may irrevocably choose to classify its equity investments as equity instruments recognised at fair value through profit and loss when they meet the definition of equity instruments pursuant to IAS 32 - "Financial instruments: Presentation" and are not held for trading. The classification is determined for each individual instrument. Gains and losses on these financial assets are never reclassified to the income statement. Dividends are recognised as other income in the income statement when the right to payment has been approved, except when the Group benefits from such income as a recovery of part of the cost of the financial asset, in which case such profits are recognised in OCI. Equity instruments recognised at fair value through OCI are not subject to impairment testing.
- **Financial assets at fair value through profit or loss**. This category includes assets held for trading, assets designated at the time of initial recognition as financial assets at fair value with changes recognised in the income statement, or financial assets that must be measured at fair value. Assets held for trading are all those assets acquired for sale or repurchase in the short term. Derivatives, including those separated, are classified as financial instruments held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not represented solely by principal and interest payments are classified and measured at fair value in

the income statement, regardless of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be recognised at fair value through profit or loss upon initial recognition if this results in the elimination or significant reduction of an accounting mismatch. Financial instruments at fair value with changes recognised in the income statement are recognised in the statement of financial position at fair value and net changes in fair value are recognised in the annual profit/(loss) statement.

Derecognition

A financial asset (or where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset no longer apply; or
- the Group has transferred to a third party the right to receive the cash flows from the asset or has undertaken the contractual obligation to pay them full and promptly and (a) it has transferred substantially all of the risks and rewards of ownership of the financial asset, or (b) it has neither transferred nor retained substantially all of the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

On each reporting date, the Group assesses whether a financial asset or group of financial assets has been impaired. There is an impairment loss when, after initial recognition, one or more events have occurred that have an impact, which can be reliably estimated, on the estimated future cash flows of the financial asset or group of financial assets. In particular, the Group recognises an expected credit loss (hereinafter "ECL") write-down for all financial assets represented by debt instruments not held at fair value in the income statement. ECLs are based on the difference between the contractual cash flows due under the contract and all the cash flows the Group expects to receive, discounted at an approximation of the original effective interest rate. Expected cash flows will include cash flows arising from the enforcement of collateral held or other credit guarantees that are an integral part of the terms of the contract. Reference should be made to the following paragraph on "Significant Accounting Estimates" for further information on the determination of the provision for credit risks.

Trade receivables and payables

Trade receivables and payables are initially recognised at the fair value of the amount to be received/paid, which for this type normally corresponds to the nominal value indicated on the invoice. Trade receivables, where necessary, are recognised at their estimated realisable value, by means of appropriations (bad debts provision) that reflect the estimate of losses on receivables (determined in accordance with the provisions of IFRS 9) and that are recognised as a write-down of nominal values (see the following paragraph "S" for further details). Subsequently, where the conditions are met, receivables and payables are valued using the amortised cost method.

It is noted that trade receivables and payables, the expiration of which falls within normal commercial terms, are not discounted, since the time component has little relevance in their valuation, and continue to be recognised at nominal value.

Inventories

Inventories are recognised at the lower of the cost and the net estimated realisable value. The cost configuration used is the weighted average cost, which includes ancillary charges. Net realisable value is the estimated selling price in the ordinary course of business, net of estimated completion costs and estimated selling costs.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent evaluation

Financial assets and liabilities, including derivative financial instruments, are recognised at the time that the contractual rights and obligations forming part of the instrument arise. Financial assets and liabilities are accounted for in accordance with IFRS 9 - "Financial Instruments".

The definition of a derivative instrument of IFRS 9 includes both financial contracts (commodity swaps, commodity futures and interest rate swaps) and forward supply or sale contracts which, although providing for the physical delivery of the underlying energy, are not directly attributable to the Group's operational needs as stipulated for the purposes of brokerage and/or arbitrage.

Forward contracts on commodities stipulated and maintained to receive or deliver the underlying energy with respect to the Group's purchase, sale or use forecasts ("own use") are instead normally recognised at cost.

The Group uses derivative financial instruments (such as forward contracts, commodity swaps, commodity futures and interest rate swaps) to hedge exposure to the price risk of its energy portfolio and exposure to interest rate risk on loans. These derivative financial instruments - including embedded derivatives subject to separation from the main contract ("hybrid instruments") - are initially recognised at fair value on the date the derivative contract is signed and subsequently measured at fair value. Derivatives are accounted for as financial assets when the fair value is positive and as a liability when the fair value is negative.

In accordance with IFRS 9, derivative financial instruments are accounted for as trading instruments, with any gains or losses deriving from fair value changes recognised directly in the Income Statement, with the exception of derivatives for which the Group applies the accounting treatment envisaged for hedging derivatives (hedge accounting). Specifically, for hedge accounting purposes, hedging derivatives can be classified as:

- fair value hedges, if they are to cover the risk of changes in the fair value of the underlying asset or liability or an irrevocable commitment not recognised;
- cash flow hedges, if they are exposed to the variability of cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable scheduled transaction or a currency risk related to an irrevocable commitment not recognised;
- hedging of a net investment in a foreign operation.

At the start of a hedge operation, the Group formally designates and documents the hedging relationship, to which it intends to apply hedge accounting, its objectives in risk management and the strategy pursued.

In compliance with IFRS 9 (as described below), the documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk and the way in which the Group assesses whether the hedging relationship meets the requirements of hedge effectiveness (including the analysis of the sources of hedge ineffectiveness and how the hedging relationship is determined).

The hedging relationship meets the eligibility criteria for hedge accounting if all of the following requirements are met:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of the credit risk does not prevail over the changes in value resulting from the aforementioned economic relationship;
- the hedging ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge this quantity of hedged item.

Transactions that meet all the criteria for hedge accounting are accounted for as described in greater detail below.

Fair Value Hedges

The fair value hedge is used by the Group to protect itself from the risk of adverse changes in fair value, assets, liabilities or irrevocable commitments, which are attributable to a specific risk and which could impact the Income Statement. Changes in the fair value of derivatives of this type, which qualify and are designated as hedging instruments, are recognised in the annual profit/(loss) statement under other costs. Changes in the fair value of the hedged item attributable to the hedged risk are recognised as part of the carrying amount of the hedged item and are also recognised in other expenses under profit or loss. With regard to fair value hedges relating to items recognised at amortised cost, any adjustment to the carrying amount is amortised in profit or loss over the remaining life of the hedge using the effective interest rate (EIR) method. The amortisation thus determined may begin as soon as an adjustment exists but may not extend beyond the date on which the hedged item ceases to be adjusted due to changes in fair value attributable to the hedged risk. If the hedged item is derecognised, the unamortised fair value is immediately recognised in the profit/(loss) statement of the year.

Cash Flow Hedges

The cash flow hedge is applied with the intent of hedging the Group from exposure to the risk of changes in the expected cash flows associated with a highly probable asset, liability or transaction. These changes are attributable to a specific risk and may impact the Income Statement.

The portion of gain or loss on the hedged instrument relating to the effective portion of the hedge is recognised in Other Comprehensive Income in the "cash flow hedge reserve", while the ineffective portion is recognised directly in profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item.

With respect to commodity derivatives, the Group designates only the spot component of forward contracts as a hedging instrument, while the forward component is cumulatively recognised in OCI in a separate line item in the "cost of hedging" reserve.

Amounts accumulated in other comprehensive income are reclassified to the income statement as a reclassification adjustment in the same period or periods during which the hedged cash flows impact the income statement.

If the cash flow hedge accounting is discontinued, the accumulated amount in OCI must remain so if the hedged future cash flows are expected to occur. Otherwise, the amount shall be immediately reclassified to profit or loss for the period as a reclassification adjustment. After suspension, once the hedged cash flow occurs, any accumulated amount remaining in OCI must be accounted for depending on the nature of the underlying transaction as described above.

Fair value measurement

As specified, the Group assesses derivative financial instruments at fair value at each reporting date. Fair value is the price that would be received for the sale of an asset, or that would be paid to transfer a liability in an arm's length transaction at the measurement date. The fair value of an asset or liability is therefore valued by adopting the assumptions that market operators would use in the determination of price of the asset or liability, assuming that market operators act to best meet their own economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities for which the fair value is measured or recognised in the financial statements are classified according to the fair value hierarchy, as described below:

- **level 1** - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **level 2** - inputs other than the quoted prices included in Level 1, directly or indirectly observable for the asset or liability;
- **level 3** - valuation techniques for which the input data is not observable for the asset or liability.

The fair value is entirely classified in the same level of the fair value hierarchy in which the input of the lowest level of hierarchy used for the valuation is classified. For assets and liabilities recognised in the financial statements at fair value on a recurring basis, the Group determines whether there have been transfers between the hierarchy levels re-evaluating the classification (based on the lowest level input that is significant for the purposes of the fair value measurement in its entirety) at each reporting date.

For reporting purposes related to the fair value, the Group determines classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Cash and cash equivalents

Cash and cash equivalents and short-term deposits include cash on hand and demand and short-term deposits with a maturity of no more than three months, held to meet short-term cash commitments, rather than for investment or other purposes, and which are not subject to significant risks associated with changes in value.

For the purposes of presentation in the consolidated cash flow statement, cash and cash equivalents are represented by cash as defined above.

Employee benefits

Post-employment benefits are defined on the basis of programs that according to their characteristics can be divided into "defined contribution" programs and "defined benefit" programs. Until 31 December 2006, the employee severance indemnity (TFR) of Italian companies was considered a defined benefit plan. The discipline of this fund was amended by Law 296 of 27 December 2006 and subsequent decrees and regulations issued in the first few months of 2007. As a result of these changes, companies with at least 50 employees are required to transfer the TFR to the "Treasury Fund" managed by the INPS (National Social Security Institute) or other supplementary pension funds. Before these amendments, the TFR of all Italian companies could be managed by the companies themselves.

In accordance with IAS 19 - Employee benefits, the TFR accrued starting from 1 January 2007 and which is paid into the INPS fund and the part paid to any supplementary pension scheme, are classified as defined contribution plans as the company's obligation is limited to the payment of contributions due to the State or to a legally distinct equity or entity (fund). The sums recognised as provisions for TFR, consisting of the residual obligation relating to the TFR until 31 December 2006 (or the date of choice by the employee in the case of allocation to supplementary funds), instead retain their nature as defined benefits. This is a non-financed defined benefit plan, considering the benefits almost entirely accrued, with the sole exception of future revaluations.

In addition to the severance indemnity accrued up to 31 December 2006, for the Company, the following components also belong to the category of defined benefit plans:

- additional monthly payments due to eligible employees on the basis of the requisites envisaged by the CCNL National Collective Bargaining Agreement ("IMA");
- the company loyalty bonus paid to employees, determined on the basis of the achievement of a certain length of service;
- indemnities in lieu of tariff concessions (referred to as the "electricity discount"), granted to former employees after retirement;
- additional compensation for FOPEN contributions due to eligible employees;
- Long-Term Incentive Plans for senior management and directors;

The current cost of work services and the current value of obligations for defined benefit plans and other long-term benefits granted to employees is determined on the basis of actuarial valuations (see the following paragraph "Significant accounting estimates" for further details).

The components of defined benefits are recognised as follows:

- the components for the re-measurement of liabilities, which include actuarial gains and losses, are recognised as other comprehensive income (losses) (these components are never reclassified to the Income Statement in subsequent periods);
- the costs related to service provisions are recognised in the Income Statement;
- the net financial expenses on the defined benefit liabilities are recognised in the Income Statement as financial expenses.

Provisions for risks and charges

Provisions for risks and charges of the Group are recognised where there is a legal or constructive obligation as a result of a past event at the closing of the financial year, the settlement of which will likely result in an outflow of resources whose amount can be estimated reliably. If the effect is significant, provisions are determined by discounting expected future cash flows at a pre-tax discount rate that reflects current market assessments of money in relation to time and, if applicable, the specific risk attributable to the obligation.

If the provision is discounted, the periodic adjustment of present value due to the time factor is recognised as a financial expense in the Income Statement. Where it is assumed that all expenses, or part of them, required to settle an obligation are repaid by third parties, compensation, if virtually certain, is recognised as a separate asset. If the liability is connected to the dismantling of the plants and/or restoration of the site where they are located, the provision is recognised as a balancing entry to the asset to which it refers and the charge is recognised in the Income Statement through the amortisation process of the aforementioned tangible asset.

For contracts whose non-discretionary costs necessary to fulfil the obligations undertaken are higher than the economic benefits that are supposed to be obtainable from the contract (onerous contracts), the Group recognises a provision equal to the lower between the cost necessary to fulfil and any compensation or penalty resulting from breach of the contract.

Changes in the estimates of accruals to the provision are reflected in the Income Statement for the financial year in which the changes occur, with the exception of those relating to the costs of decommissioning and/or restoration resulting from changes in the timetable and costs necessary to extinguish the obligation or from a change in the discount rate. These changes increase or decrease the related assets and are recognised in the Income Statement through the amortisation process. When they increase the value of the assets, it is also assessed whether the new carrying amount of the assets is fully recoverable. If this is not the case, a loss equal to the unrecoverable amount is recognised in the Income Statement.

Changes in the estimate are shown as a balancing entry to the asset up to its carrying amount and, for the excess, immediately in the Income Statement. For further details on the estimate criteria adopted in determining the liabilities relating to the decommissioning and restoration of sites, reference is made to the following paragraph dedicated to the use of significant estimates.

Other financial liabilities

Initial recognition and subsequent evaluation

At the time of initial recognition, the other financial liabilities (other than the derivatives described above) are recognised as liabilities at fair value in the income statement, in addition (in the case of mortgages, loans and payables) to the transaction costs directly attributable.

For the purposes of subsequent evaluation, financial liabilities are classified in the following categories:

- **Financial liabilities at fair value recognised in the Income Statement** - The first category includes the liabilities held for trading and the liabilities designated at the time of the first recognition as financial liability at fair value with changes recognised in the Income Statement. Liabilities held for trading are all those undertaken with the intention of extinguishing or transferring them in the short term. Gains or losses on liabilities held for trading are recognised in the profit/(loss) statement of the year. Financial liabilities are designated at fair value with changes recognised in the income statement from the date of initial recognition, only if the criteria of IFRS 9 are met.
- **Loans** - after initial recognition, loans are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in the Income Statement when the liability is settled, as well as through the amortisation process. The amortised cost is calculated by recognising the discount or premium on the acquisition and fees or costs that are an integral part of the effective interest rate. Amortisation at the effective interest rate is included in financial expenses in the profit/(loss) statement.

Derecognition

A financial liability is derecognised when the obligation underlying the liability is settled, cancelled or honoured. If an existing financial liability is replaced by another one from the same lender, under substantially different conditions, or the conditions of an existing liability are substantially modified, this exchange or modification is accounted for as a derecognition of the original liability, accompanied by the recognition of a new liability, with any differences in carrying amounts recognised in the annual profit/(loss) statement.

Financial guarantees payable

Financial guarantees payable are contracts that require a payment to reimburse the holder of a debt security following a loss suffered by it as a result of default on the part of the debtor in payment at the contractually agreed deadline. Financial guarantee contracts are initially recognised as liabilities at fair value, increased by transaction costs directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the greater of the amount of the provision to cover expected losses at the reporting date and the amount initially recognised, net of accumulated amortisation.

Conversion criteria for foreign currency items

The functional and reporting currency adopted by the Group is the Euro. Foreign currency transactions are initially recognised at the exchange rate in effect on the date of the transaction. Apart from fixed assets, any assets and liabilities held in foreign currencies are recognised at the exchange rate of reference at the end date of the period; the related exchange gains and losses are recognised in the Income Statement for the period of competence. Any net gain is allocated to non-distributable reserve until the date of realisation.

Changes in accounting standards, new accounting standards, changes in estimates and reclassifications

Endorsed accounting standards, amendments and interpretations applied since 1 January 2024

In accordance with IAS 8 (Accounting standards, changes in accounting estimates and errors), the IFRS effective from the 1 January 2024 are indicated and briefly illustrated below.

Amendments to IAS 1 - Presentation of Financial Statements: Classification of liabilities between current and non-current

The amendments clarify how to classify loans and other liabilities as current or non-current, and specifically how to classify liabilities with uncertain settlement dates and those that may be settled by conversion into equity. The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2024.

Amendments to IFRS 16 – Leases: sale and leaseback liabilities

The amendments improve the requirements for sale and leaseback transactions, specifying the measurement of the liability arising from such transactions so that the seller-lessee does not recognise any gain or loss in respect of the retained right-of-use asset. The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2024.

Amendments to IAS 1 - Presentation of Financial Statements: Non-current liabilities with covenants,

The amendments clarify how conditions that the entity must meet within twelve months after the reporting period affect the classification of a liability. The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2024.

Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Additional disclosures: Supplier financing arrangements

The amendments introduce new disclosure requirements to enhance the transparency and usefulness of information provided by entities regarding supplier financing arrangements, with the aim of helping financial statement users to better understand the effects of such arrangements on an entity's liabilities, cash flows, and liquidity risk exposure. The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2024.

Standards issued by the IASB but not yet applicable

At the date of preparation of these separate financial statements, the IASB had issued the following new standards/interpretations which have not yet come into force:

New Standards/Interpretations transposed by the EU but not yet in force	Mandatory application from
Amendments to IAS 21 - Effects of changes in exchange rates	01/01/2025
Amendments to IFRS 9 – Financial instruments and IFRS 7 – Financial instruments: disclosures	01/01/2026
Amendments to IFRS 18 – Presentation and disclosure in financial statements	01/01/2027

Significant accounting estimates

The preparation of the Consolidated Financial Statements, drawn-up in compliance with the IAS/IFRS standards, required the use of estimates, judgements and hypotheses that have an effect on the carrying amount of assets and liabilities, on the information regarding contingent assets and liabilities and on the value of revenues and costs recognised. The estimates and related assumptions are based on elements known at the date of preparation of the financial statements, on historical experience and on other factors that may be considered relevant. The underlying estimates and assumptions are updated periodically and regularly by the management. Actual results may differ from estimates and therefore need to be amended. The effects of any changes in estimates are recognised in the Income Statement in the period in which they occur or in subsequent periods. The main items requiring estimates are described below and for which a significant difference with respect to the carrying amounts of assets and liabilities may be required in the future.

Impairment test

The book value of non-current assets is subjected to periodic verification (at each reporting date) and whenever circumstances or events require more frequent verification. In the presence of potential impairment loss indicators (and obligatory at each reporting date for assets with indefinite useful life), it is necessary to proceed with an impairment test, within which the recoverable value is determined, which is the higher of fair value less costs to sell the asset or of the smaller CGU and its value in use. The recoverable value is determined by individual asset or CGU, in the event that it is not possible to allocate the cash flows to the individual asset. An impairment loss must be recognised when the book value of the asset being tested exceeds its recoverable value; conversely, if the recoverable value exceeds the book value, no recognition is necessary. Impairment related to goodwill cannot be reinstated in following years.

The value in use is the present value of future cash flows expected from the use of the asset or CGU and from its disposal at the end of its useful life. Based on the IFRS accounting standards applied in professional practice on valuation, the estimate of the value in use is made by discounting the operating cash flows, i.e. the cash flows available before the repayment of financial payables and the remuneration of shareholders (Unlevered Discounted Cash Flow (UDCF) method), appropriately calculated assuming an actual marginality that can be realised by the company in the event of carrying out the activity at normal market conditions.

The cost of capital of the Group is determined using the WACC method, so as to be representative of the weighted average cost of financing sources (risk capital and debt capital). Some of the parameters used to calculate the WACC are derived from market indicators and from comparable companies/groups.

It is believed that the estimates underlying the calculation of the recoverable amounts determined in the context of the impairment test conducted by the management are reasonable; however, possible variations in the underlying estimating factors could produce different evaluations.

Recognition of revenues

Revenues from sales to customers are recognised on an accruals basis and on the basis of the fair value of the amount received or receivable. Revenues from sales of electricity to end customers are recorded in the financial statements on the basis of the time of supply and include, in addition to the amount invoiced on the basis of periodic readings, or on the basis of the volumes communicated by distributors and transporters, an estimate of the electricity supplied during the year but not yet invoiced. Revenues between the last reading date and the end of the financial year are partly based on estimates of the customer's consumption, based on the related historical profile.

Employee benefits

As previously specified, the current cost related to work services and the current value of obligations for defined benefit plans and other long-term benefits granted to employees is determined on the basis of actuarial valuations using the Projected Unit Credit Cost Method. According to this methodology, the Group assigns the benefit deriving from the plan to the years in which the obligation arises to provide the benefit itself or, in the moment in which employees provide work service. The amount of the liability is calculated by estimating the amount to be paid upon termination of the employment relationship, taking into consideration economic, financial and demographic assumptions, which are annually validated by a third-party and independent actuary. This value is charged pro-rata temporis based on the

period of work already accrued. For severance indemnity accrued at 31 December 2006 (or the date of choice by the employee in the case of allocation to complementary funds), the pro-rata temporis is instead not applied, since as specified above, at the reporting date the benefits can be considered fully accrued.

The components of remeasurement of the liability, which include actuarial gains and losses, as well as any effects deriving from changes to the actuarial assumptions adopted, are recognised as comprehensive profits (losses).

Although the determination of the current value of the obligation is based on the use of objective and compatible actuarial assumptions, as well as on financial parameters deriving from market estimates known at the reporting date, regarding the year in which the obligations will be settled, the use of different assumptions, or the change in macro-economic conditions, could determine a change in the current value of the obligation.

Amortisation/Depreciation

Tangible and intangible assets with definite useful life are depreciated or amortised on a straight-line basis over their estimated useful life. The useful economic life of these assets is determined at the time of purchase, with the support of technical experts. The Group periodically evaluates technological and sector developments, dismantling/closure charges and the recovery value to update the residual useful life of assets. This evaluation could result in a change in the economic useful life of assets and, consequently, also in the depreciation period and the underlying depreciation portion to be recognised in future years.

Recoverable value of deferred tax assets

Income taxes (current and deferred) are calculated according to a prudent interpretation of the tax laws in effect. This process sometimes involves complex estimates to determine taxable income and deductible and taxable temporary differences between the carrying amounts and the taxable amounts. In particular, prepaid tax assets are recognised to the extent that future taxable income will be available against which they can be recovered.

The assessment of the recoverability of deferred tax assets, recognised in relation to both tax losses carried forward and deductible temporary differences, takes into account estimated future taxable income and is based on prudent tax planning. In making these assessments, management relies on the most recent budgets and business plans (which are also used for impairment testing of assets) and also considers the participation in the group's national tax consolidation regime, which allows the Company to transfer its taxable income or losses to the Group.

These estimates and assumptions are subject to a certain degree of uncertainty, especially with reference to the future macro-economic trend. Therefore, changes in current estimates due to unforeseen events could impact the valuation of deferred tax assets.

Measurement of derivative financial instruments

The fair value of derivative instruments is determined both using valuation models which also take into account subjective measurements such as, for example, cash flow estimates, expected volatility of prices, etc., and on the basis of prices existing in regulated markets or quotations provided by financial counterparties.

More specifically, the derivative financial instruments on commodities used by the Group are measured at fair value based on the forward market curve at the reporting date, if the underlying of the derivative is traded on markets that provide official, liquid forward prices. If instead the market does not provide forward prices, forecast price curves are used based on simulation models developed by the Group internally. However, the actual results of derivatives could differ from the measurements made.

It is also noted that, the serious turbulence that took place on the markets for the energy Commodities traded by the Group, could lead to greater volatility in Cash Flows and in expected results.

Trade receivables measured at amortised cost

Trade receivables for which extensions have been granted beyond 12 months are valued at their amortised cost. Where the instalment agreement does not provide for the recognition of explicit interest, the financial effect was determined by discounting the expected cash flows at a rate equal to that normally applied to the payment of arrears by customers. The difference between the nominal value of the receivable and its amortised cost has been deducted from the related revenues. Different assessments of the discount rate could change the results of the financial statements.

Evaluation of transactions involving the acquisition of tax credits as collection

Some of the activities carried out by the Group involve the collection of fees in whole or in part through the acquisition of tax credits recoverable over multi-year time frames varying from 5 to 10 years (mechanism of the so-called "Invoice discount"). Tax credits thus acquired do not appear to be directly applicable to the definition of a financial asset in IAS 32, paragraph 11, since the resulting right to offset taxes and contributions is based on ex lege provisions and does not derive from a Contract.

However, the tax credits in question are, in substantive terms, comparable to a financial asset in that they can be used to offset a debt usually paid in cash (tax debts), they can be exchanged for other financial assets on terms that may be potentially favourable to the entity, and they can be framed in a business model (e.g. Hold to Collect in the case of holding to maturity).

For these reasons, it is believed that an accounting model based on IFRS 9 is the most appropriate accounting policy to provide relevant and reliable information, as required by IAS 8 paragraph 10. Such a model, in fact, seems to more adequately ensure a true representation of the Group's financial position, income and cash flows, reflecting the economic substance and not merely the form of the transaction, in a neutral, prudent and complete manner.

In view of the Group's aims, which are to maximise the profitability of such transactions by using the credits acquired to offset tax liabilities, it was deemed appropriate to carry out the valuation of these credits according to the "hold-to-collect" business model and thus at their amortised cost.

Where the contract with the customer includes a rate implicit in the structure of the transaction, the amortised cost of credit was determined using the internal rate of the transaction itself.

When, on the other hand, the contract with the customer does not provide for an implicit rate, we proceed (also in compliance with the dictates of IFRS 15 in terms of revenue allocation) to unbundle the financial component from the contractually stipulated consideration, using an interest rate consistent with the risk expressed by the counterparty (the Italian State) and the identified business model. Specifically, the rate of a BTP with a maturity aligned with that of the loan being evaluated was chosen.

With reference to the time of recognition of the credits, they are recorded at the same time as revenue recognition as receivables from customers. Only with the actual acquisition of the tax credit, which is also subsequent to obtaining the appropriate endorsements, is the receivable from the customer cancelled and the tax credit recorded. The amortised cost valuation, however, is carried out from the time the customer receivable is first recorded in accordance with the above principles.

Provision for risks on receivables

As previously specified, receivables are recognised in the financial statements at their estimated realisable value, by adding appropriations that reflect the estimate of losses on receivables and that are recognised as a nominal value adjustment.

The Group uses a matrix to calculate ECL for trade receivables and contractual activities. The allocation rates are based on the days past due for each class of customers grouped in the various segments with similar historical loss trends (market, type of customer, contract status, type of payment). The matrix is initially based on the historical default rates observed by the Group. At least once per financial year, the historical insolvency rates are updated. Although the provision is considered adequate, the use of different calculation assumptions or changes in macro-economic conditions could cause a change in the bad debts provision.

Provisions for risks and charges

The identification of the existence or non-existence of a current obligation (legal or implicit), as well as the subsequent quantification of any underlying, represents a process that is not easy to determine by the Directors.

Management carries out a case-by-case assessment of the potential obligations, together with the estimate of the amount of economic resources required for the fulfilment of the same. Estimating allocations to the provisions for risks and charges is therefore the result of a complex process that can also involve subjective judgements on the part of Company management. When the directors are of the opinion that it is only possible that a liability could arise, the risks are disclosed in the section on commitments and contingent liabilities without making a provision.

Obligations for dismantling and/or recovery

The nature of the Group's business may entail an obligation relating to future activities and interventions that will have to be sustained for the decommissioning of (renewable energy production) plants and/or restoration of the site where they are located. The estimate of future charges depends on the type of generation adopted and is based on financial and engineering assumptions that depend on the technology existing at the date of valuation, as well as applicable laws and regulations. The current liability is then calculated by discounting the expected future cash flows that the Group believes will be required for the obligation assumed.

Subsequent to initial recognition, the value of the obligation is reviewed annually and possibly adjusted to reflect the passing of time and any change in the underlying estimates. As specified above in the context of the accounting standards adopted by the Group, the provision relating to these obligations is recognised as a balancing entry to the asset to which it refers and the charge is recognised in the Income Statement not only at the financial value over time but also through the depreciation process of the aforementioned tangible asset.

Absence of an applicable standard or interpretation

As required by IAS 8 (Accounting Standards, Changes in Accounting Estimates and Errors), paragraph 10, in the absence of a Standard or an Interpretation that specifically applies to a particular transaction, Management, through careful subjective evaluation techniques, chooses the accounting methods to adopt with a view to providing financial statements which faithfully represent the financial position, the results of operations and the cash flows of the Group, which reflect the economic substance of the transactions, which are neutral, prepared on a prudent basis and complete in all material respects.

2023 Final PPA Effects

Below is a summary of the effects on the comparative statement of financial position and income statement resulting from the completion of the purchase price allocations related to the 2023 business combinations:

Balance sheet item (Euro/000)	Impact of final PPA on 2023 comparative figures
Tangible assets	8,196
Goodwill	91
Deferred tax assets	694
Inventories	680
Total assets	9,661
Shareholders' equity attributable to the Group	(23,404)
Shareholders' equity - Minority interests	2,675
Deferred tax liabilities	3,135
Other non-current financial liabilities	24,245
Other current financial liabilities	3,010
Total liabilities and equity	9,661

Income Statement Item (Euro/000)	Impact of final PPA on 2023 comparative figures
Change in contract work in progress	99
Financial expenses	292
Gains/(losses) for income taxes	(28)
Period net result	363
Profit/(loss) attributable to the Group	345
Profit/(loss) attributable to non-controlling interests	18

The adjustments to the comparative figures relate to the final fair value assessment of property, plant and equipment under construction and acquired inventories, with corresponding adjustments to deferred tax assets and liabilities and goodwill, as well as the recognition under financial liabilities of the fair value of put and call options with minority shareholders, with the offsetting entry recognised in equity reserves.

No contingent liabilities have been identified.

Information related to operating sectors

For management purposes, the Group is organised into Business Units, the subdivision of which reflects the reporting structure analysed by the Management and the Board of Directors in order to manage and plan the Group's activities. In compliance with the provisions of IFRS 8 - Operating Segments, information is provided below for Business Units, identified on the basis of the management structure and the internal reporting system of the Group.

More specifically, as set out in the relevant section of the Report on Operations in this issue, the CVA Group operates in the following business sectors:

- **Hydro BU:** dedicated to electricity generation from hydroelectric sources, and to the relative sale of the same to wholesalers/traders. This production mainly relates to the Parent Company and, to a residual extent, to VALDIGNE;
- **Other Renewable Energy Sources BU (hereinafter for brevity also "Other RES"):** dedicated to the activity of electricity generation from renewable energy sources other than the hydroelectric source, and to the relative sale of the same to wholesalers/traders. The activity is carried out mainly by the Parent Company and by the company CVA EOS;
- **Distribution BU:** dedicated to the distribution of electricity to end users entirely carried out by DEVAL, which manages a distribution network (located exclusively in Valle d'Aosta);
- **Sales BU:** includes the activities performed by CVA ENERGIE which operates (i) in the electricity sales sector; (ii) in the energy management sector, also carrying out electricity trading activities mainly in physical and financial energy markets;
- **Energy Efficiency BU:** a new operating sector of the Group that includes the energy efficiency activities of civil and capital buildings carried out by CVA as General Contractor as well as by CVA Smart Energy.

In addition to these Business Units, it is also possible to identify the so-called "Corporate" includes the result of the activities and Businesses that do not constitute an operating segment pursuant to IFRS 8, as well as values not attributable to the performance of the business areas identified, as they are not directly attributable to their management responsibility.

The item "Eliminations and adjustments", on the other hand, includes consolidation adjustments and eliminations between the individual Business Units. Based on the nature of the activities carried out by the companies of the Group, the breakdown by geographical area is not significant.

The following tables show some economic and financial information broken down by segment for the years 2024 and 2023 (for comparative purposes):

Summary data by Business Unit at 31 December 2024

Amounts in Euro thousands		For the year ended 31 December 2024						
	Hydro	Distribution	Sales	Other RES	Energy efficiency	Corporate	Eliminations	Total
Economic data by business sector								
Revenues	365,449	43,335	1,225,180	130,130	54,765	3,138	(414,876)	1,407,121
Personnel cost	(17,024)	(8,390)	(4,497)	(6,484)	(7,536)	(20,648)	-	(64,580)
Other operating costs	(60,347)	(13,177)	(1,123,483)	(76,131)	(39,389)	(21,831)	406,912	(927,447)
Gross Operating Margin (EBITDA)	288,078	21,768	97,200	47,515	7,841	(39,342)	(7,964)	415,095
% of revenues	78.8%	50.2%	7.9%	36.5%	14.3%	-1253.9%	1.9%	29.5%
Amortisation, depreciation, provisions and write-downs	(27,458)	(11,341)	805	(47,456)	(281)	(4,143)	619	(89,255)
Operating Result (EBIT)	260,620	10,427	98,005	59	7,559	(43,485)	(7,345)	325,839
% of revenues	71.3%	24.1%	8.0%	0.0%	13.8%	-1385.9%	1.8%	23.2%
Result from non-recurring transactions	209	-	458	-	-	-	-	668
Adjusted Operating Result (Adjusted EBIT)	260,410	10,427	97,546	59	7,559	(43,485)	(7,345)	325,172
% of revenues	71.3%	24.1%	8.0%	0.0%	13.8%	-1385.9%	-	23.1%
Financial balance	-	-	-	-	-	(13,997)	-	(13,997)
PRE-TAX RESULT	260,620	10,427	98,005	59	7,559	(57,482)	(7,345)	311,843
Expenses for income taxes	-	-	-	-	-	(93,073)	-	(93,073)
PERIOD NET RESULT	260,620	10,427	98,005	59	7,559	(150,555)	(7,345)	218,770
Equity data by business sector								
Investments	18,597	26,370	(106)	214,018	5,303	7,642	-	271,824
Tangible assets	291,168	137,925	314	557,246	4,490	46,231	(6,131)	1,031,244
Intangible assets	176,746	13,024	-	85,667	6,784	1,880	258,422	542,523
Trade receivables	35,299	9,653	170,529	38,199	23,007	12,475	(60,826)	228,336
Trade payables	45,713	10,310	116,603	28,281	21,101	15,306	(63,758)	173,557

Summary data by Business Unit at 31 December 2023

Amounts in Euro thousands		For the year ended 31 December 2023						
	Hydro	Distribution	Sales	Other RES	Energy efficiency	Corporate	Eliminations	Total
Economic data by business sector								
Revenues	276,246	34,246	1,491,606	70,602	115,596	4,081	(334,618)	1,657,759
Personnel cost	(15,922)	(8,193)	(4,339)	(2,200)	(2,064)	(16,966)	3	(49,681)
Other operating costs	(88,415)	(10,221)	(1,431,214)	(16,500)	(94,012)	(15,343)	336,992	(1,318,714)
Gross Operating Margin (EBITDA)	171,909	15,832	56,052	51,902	19,520	(28,228)	2,377	289,365
% of revenues	62.2%	46.2%	3.8%	73.5%	16.9%	-691.7%	-0.7%	17.5%
Amortisation, depreciation, provisions and write-downs	(26,023)	(10,356)	1,419	(39,617)	(622)	(3,159)	508	(77,851)
Operating Result (EBIT)	145,886	5,477	57,471	12,285	18,898	(31,387)	2,884	211,514
% of revenues	52.8%	16.0%	3.9%	17.4%	16.3%	-769.1%	-0.9%	12.8%
Result from non-recurring transactions	(34,261)	-	2,322	(1,449)	-	248	-	(33,139)
Adjusted Operating Result (Adjusted EBIT)	180,148	5,477	55,149	13,733	18,898	(31,636)	2,884	244,653
% of revenues	65.2%	16.0%	3.7%	19.5%	16.3%	-775.2%	-	14.8%
Financial balance	-	-	-	-	-	7,436	-	7,436
PRE-TAX RESULT	145,886	5,477	57,471	12,285	18,898	(23,951)	2,884	218,950
Expenses for income taxes	-	-	-	-	-	(59,635)	-	(59,635)
PERIOD NET RESULT	145,886	5,477	57,471	12,285	18,898	(83,586)	2,884	159,315
Equity data by business sector								
Investments	19,492	20,328	12	538,903	39,515	7,678	-	625,929
Tangible assets	299,766	122,503	519	482,953	2,204	38,303	(3,301)	942,947
Intangible assets	174,480	13,431	-	61,746	1,032	1,804	189,742	442,236
Trade receivables	40,728	7,804	184,297	5,565	146,066	4,027	(57,525)	330,961
Trade payables	45,622	9,337	111,031	13,947	55,248	6,660	(60,603)	181,242

For further details regarding results by Business Unit, reference is made to as illustrated in the Report on Operations.

Comments on the main consolidated income statement items

The breakdown of the main items of the Consolidated Income Statement is provided below. The following tables, unless otherwise indicated, show the figures in thousands of Euro.

1. Revenues from sales and services

Revenues from sales and services totalled Euro 1,374,245 thousand in 2024 (Euro 1,627,075 thousand in 2023). A breakdown of revenues by nature is provided below:

Amounts in Euro thousands

	2024												Total Group
	Hydro		Distribution		Sales		Other RES		Energy efficiency		Corporate		
	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	
REVENUES FROM SALES AND SERVICES	355,953	(355,401)	42,304	(17,498)	1,223,430	(3,715)	112,767	(37,341)	62,424	(8,688)	11,125	(11,115)	1,374,245
Sale of electricity	333,328	(332,776)	-	-	833,870	(1,508)	37,543	(31,413)	120	-	(0)	0	839,163
To wholesale customers	333,328	(332,776)	-	-	361,146	(26)	37,482	(31,413)	-	-	-	-	367,741
To end customers - Free market	-	-	-	-	452,434	(1,134)	61	-	120	-	(0)	0	451,480
To end customers - Greater Protection Market	-	-	-	-	3,154	(349)	-	-	-	-	-	-	2,805
Income from energy hedging instruments	-	-	-	-	17,136	-	-	-	-	-	-	-	17,136
Income from commodities trading activities	-	-	-	-	14,901	-	-	-	-	-	-	-	14,901
Income from commodities hedging activities	-	-	-	-	58,225	-	-	-	-	-	-	-	58,225
Fees for use of the system	4,968	(4,968)	-	-	65,052	(127)	-	-	-	-	-	-	64,925
Revenues for energy transport	-	-	40,649	(17,443)	232,743	(720)	-	-	-	-	-	-	255,228
Connection fees and fixed fees	-	-	1,484	(40)	4,042	(1,302)	-	-	-	-	-	-	4,185
Disposal of energy certificates/securities	17,355	(17,355)	-	-	14,002	(52)	429	(422)	86	-	-	-	14,042
Provision of services	302	(302)	171	(15)	597	(6)	74,796	(5,506)	62,218	(8,688)	11,125	(11,115)	123,576

Amounts in Euro thousands

2023													
	Hydro		Distribution		Sales		Other RES		Energy efficiency		Corporate		Total Group
	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	Total	Intra-group items	
REVENUES FROM SALES AND SERVICES	275,626	(275,349)	32,835	(16,519)	1,487,712	(3,372)	43,853	(33,141)	121,961	(6,554)	9,709	(9,687)	1,627,075
Sale of electricity	269,212	(268,934)	-	-	989,853	(1,926)	43,419	(32,826)	(1)	-	1	-	998,797
To wholesale customers	269,212	(268,934)	-	-	514,325	-	43,419	(32,826)	-	-	-	-	525,196
To end customers - Free market	-	-	-	-	580,998	(1,334)	-	-	(1)	-	1	-	579,664
To end customers - Greater Protection Market	-	-	-	-	3,794	(592)	-	-	-	-	-	-	3,202
Income from energy hedging instruments	-	-	-	-	(109,265)	-	-	-	-	-	-	-	(109,265)
Income from commodities trading activities	-	-	-	-	16,696	-	-	-	-	-	-	-	16,696
Income from commodities hedging activities	-	-	-	-	223,595	-	-	-	-	-	-	-	223,595
Fees for use of the system	5,172	(5,172)	-	-	59,119	(121)	-	-	-	-	-	-	58,998
Revenues for energy transport	-	-	30,972	(16,301)	188,342	(546)	-	-	-	-	-	-	202,467
Connection fees and fixed fees	-	-	1,726	(214)	3,319	(713)	-	-	-	-	-	-	4,118
Disposal of energy certificates/ securities	947	(947)	-	-	6,041	(65)	177	(177)	-	-	-	-	5,975
Provision of services	295	(295)	137	(4)	748	-	257	(139)	121,962	(6,554)	9,708	(9,687)	116,428

The Group's revenue structure was influenced by several factors, which we report below.

With regard to hydroelectric generation, revenue from sales and services as at 31 December 2024 amounted to Euro 355,953 thousand (Euro 275,626 thousand as at 31 December 2023). The increase in revenue from the sale of generated energy is attributable to higher production volumes due to a year characterised by above-average water inflows.

There was also an increase in revenue from the sale of energy certificates, particularly Guarantees of Origin (GO), sold both to retail customers and on the wholesale market. This increase is due to the higher volume of certificates acquired by the Group companies and subsequently sold on the market during the year.

The distribution business reported revenue from sales and services of Euro 42,304 thousand as at 31 December 2024 (Euro 32,835 thousand as at 31 December 2023), representing an increase compared to the previous year, mainly due to higher tariffs.

Revenue from wholesale energy sales declined (Euro 361,146 thousand as at 31 December 2024 compared to Euro 514,325 thousand as at 31 December 2023), reflecting both lower market prices and a reduction in trading volumes. Revenue from sales to final customers in the free market also decreased (Euro 452,434 thousand as at 31 December 2024 compared to Euro 580,998 thousand as at 31 December 2023), mainly due to falling market prices, which more than offset the moderate growth in sales volumes. Revenue from sales to customers under the regulated "greater protection service" slightly decreased (Euro 3,154 thousand as at 31 December 2024 compared to Euro 3,794 thousand as at 31 December 2023), due to the termination of the service for micro-enterprises in April 2024 and the gradual reduction in the number of non-vulnerable residential customers as they progressively switched to free market providers ahead of the termination of the regulated service in July 2024.

Revenue from energy transportation, included within the "Sales" business unit, amounted to Euro 232,743 thousand

(compared to Euro 188,342 thousand in 2023). This refers to the recovery of costs incurred for transporting energy to customers served during the year. The increase was only partly due to higher volumes of energy sold and was mainly attributable to the upward revision of regulated tariffs — which returned to standard levels following reductions applied in previous years due to the energy crisis — as well as the increase in the WACC recognised to distributors for 2024. It should be noted that this revenue does not generate any margin for the Group, as it represents a mere pass-through of the costs incurred.

It should be noted that the item "results from commodity trading activities" includes the margin generated on transactions in trading commodity trading portfolios as shown in the table below:

<i>Amounts in Euro thousands</i>	2024	2023
RESULT FROM TRADING ACTIVITIES	14,901	16,696
Income from trading activities	95,270	287,569
Expenses from trading activities	(80,369)	(270,874)

It should be noted that the result from commodities trading activities, being related to derivative transactions, is regulated by IFRS 9 and is consequently excluded from the scope of application of IFRS 15.

The margin decreased due to fewer opportunities offered by the market during the year.

Revenue from sales and services from renewable energy generation other than hydroelectric (Other RES) more than doubled compared to the previous year (Euro 112,767 thousand as at 31 December 2024 compared to Euro 43,853 thousand as at 31 December 2023). This increase is mainly attributable to the contribution from the new companies, as mentioned above, which joined the scope of consolidation of this business unit during the year.

Revenue from sales and services generated by the "Energy Efficiency" business unit amounted to Euro 62,424 thousand (Euro 121,961 thousand as at 31 December 2023), and decreased due to the natural reduction in activities historically carried out by the Parent Company related to Superbonus construction sites, which were almost entirely completed within the deadlines imposed by the specific regulations. As a result, revenue from contractual customers decreased significantly, with a reduction of approximately Euro 64 million between the two years.

For further details regarding revenues by nature and Business Unit, reference is made to as illustrated in the specific section of the Report on Operations.

2. Other revenues and income

The breakdown of the item "Other operating revenues and income" is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
OTHER REVENUES AND INCOME	43,046	32,196
Incentives on energy production	35,658	21,789
Penalties and insurance reimbursements	2,279	4,082
Contingent assets	1,182	1,649
Leases	993	1,178
Contribution for the purchase of TEE securities	566	597
Capital contributions	224	233
Other operating contributions	32	899
Other income	2,112	1,768

Below are also the details of the incentives on energy production, by type of contribution and by Business Unit:

Amounts in Euro thousands	2024	2023
Incentives on energy production	35,658	21,789
Photovoltaic plant incentives	20,176	19,980
GRIN (former Green Certificates)	13,115	-
Incentive tariffs	2,366	1,809

Amounts in Euro thousands	2024	2023
PRODUCTION INCENTIVES BY B.U.	35,658	21,789
Other RES	26,580	21,789
Hydro	9,078	-

Incentives on energy production recorded an increase due to:

- the expansion of the consolidation scope to include companies active in photovoltaic energy production. Incentives related to this source remained substantially stable, despite a decrease in production from the historical portfolio of plants.
- The increase in the value of the GRIN incentive, which is geared to the development of market prices, but transposes them with a one-year delay.

The incentive tariffs received from GSE represent a form of support whereby a fixed tariff is guaranteed for each MWh produced by the plant under agreement, through the integration of the market price with a contribution from GSE. The incentive tariffs, guaranteeing a fixed value of the energy sold, move inversely proportional to the market prices of electricity. This form of incentive, in the Group, only remunerates the production of wind plants. Its increase is mainly attributable to its inverse correlation with energy prices.

The GRIN incentives refer to the contribution received from GSE under the incentive mechanism replacing the former "green certificates". The significant increase compared to the previous year is mainly attributable to the increase in the unit value of the GRIN incentive, amounting to Euro 13,115 million in 2024. The value of the incentive is established annually by the GSE on the basis of the provisions of Ministerial Decree 6 July 2012 as amended and inversely proportional to the energy prices of the previous year. In 2022, average prices had reached such levels that incentives for 2023 were effectively eliminated; however, for 2024 they resumed with a value of Euro 42.15/MWh.

"Penalties and insurance reimbursements", which amounted to Euro 2,279 thousand, include all penalties applied to suppliers for contractual defaults, as well as indemnities and social bonuses received from distributors and insurance reimbursements received for credit losses (the latter two items are characteristic of CVA ENERGIE sales of energy to end customers).

In the current year, revenue from social bonus reimbursements (amounting to Euro 853 thousand), recognised to users and then reimbursed to distributors, decreased compared to 2023.

Other operating income primarily refers to: revisions of estimates on 2024 balance sheet items of the SR Group; collection of receivables previously written off in prior years; derecognition of liabilities due to statute of limitations.

The item "leasing of properties", amounting to Euro 993 thousand, mainly refers to the income from the leasing of the real estate units owned by CVA located in various Municipalities of Valle d'Aosta. Pursuant to IFRS 16, the contracts have all been classified as operating leases.

Revenue related to the contribution for the cancellation of Energy Efficiency Certificates (TEE) recognised by CSEA, amounting to Euro 566 thousand, includes Euro 479 thousand for the contribution received for the cancellation of certificates purchased in 2024 to meet 2023 obligations (which closed in May 2024), and Euro 87 thousand related to the estimated cancellation value of certificates purchased to cover the 2024 obligation, due in May 2025.

The item "capital contributions", amounting to Euro 224 thousand, corresponds to the portion of contributions received for investments in assets accounted for using the indirect method. These include tax facilitations on investments in the form of tax deductions or tax credits.

The item "Other income" amounts to Euro 2,112 thousand and mainly refers to the following types:

- Income for the fees received for the precarious concession for the use works drainage Bard power plant and to the related charge-back of maintenance expenses in addition to the fees received for the maintenance of some power stations located in the municipalities of Pontey, Gressoney La Trinité, Antey Saint André, Cogne and Issogne (for Euro 920 thousand);
- Income for reimbursements obtained by the management companies of the ski lifts to draw the water needed for artificial snow (for Euro 164 thousand);

The remainder of the item is attributable to the sum of miscellaneous revenues that are not individually significant.

3. Change in contract work in progress

The change in work in progress on long-term contracts reduced total revenue by Euro 10,170 thousand and registered a decrease of Euro 8,659 thousand compared to the previous year (Euro -1,511 thousand). This change mainly relates to companies that entered the Group's consolidation scope from 2023 and are active in the energy efficiency sector.

4. Costs for raw materials and services

Costs for raw materials and services amounted to Euro 881,505 thousand (Euro 1,236,875 thousand as at 31 December 2023).

Their breakdown by type is shown in the table below:

<i>Amounts in Euro thousands</i>	2024	2023
COSTS FOR RAW MATERIALS AND SERVICES	881,505	1,236,875
Costs for raw materials	447,516	647,195
Expenses for energy transport	224,581	178,961
Costs for services	90,825	122,960
Expenses from commodities hedging activities	62,066	239,284
Expenses for use of the system	49,372	45,339
Costs for rents and leases	4,641	1,037
Connection fees and similar	2,504	2,099

It should be noted that costs incurred during the year for portfolio trading on commodities, amounting to Euro 80,368 thousand (Euro 270,874 thousand as at 31 December 2023), are not included within "costs for raw materials and services", since, as further detailed in Note "1. Revenue from sales and services", the margin generated is presented under a "net presentation" approach and, being positive, is included in revenue.

Costs for raw materials

Costs for raw materials amounted to Euro 447,516 thousand (Euro 647,195 thousand as at 31 December 2023). The detail of costs for raw materials is as follows:

Amounts in Euro thousands	2024	2023
COSTS FOR RAW MATERIALS	447,516	647,195
Wholesale electricity	387,001	632,295
Raw and ancillary materials and consumables	58,298	13,655
Energy securities/certificates	1,071	593
Vehicle power sources	770	392
Energy for auxiliary services of generating plants	376	260

Wholesale electric power includes all transactions carried out with wholesalers (including the GME), as well as imbalances between consumption and production units. The reduction in this item is mainly due to lower energy prices compared to the previous year.

Wholesale purchased energy also includes the effects of cash flow hedges entered into to cover expected cash flows from energy purchases, which resulted in a cost adjustment of Euro 8,181 thousand.

Costs for the purchase of raw materials, ancillary materials and consumables increased mainly due to the expansion of the consolidation scope to companies operating in the energy efficiency sector, which incur significant costs for the purchase of materials used in the construction of plants and building works.

Costs for energy certificates and titles refer to expenses incurred for the procurement of Guarantees of Origin certificates (covering the portion of renewable energy sold but not produced by the Group's own plants) and TEE certificates. Specifically for 2024, the total cost as well as the change recorded is almost entirely attributable to TEE certificates, amounting to Euro 854 thousand as at 31 December 2024.

The "vehicle fuel" item refers to costs for the purchase of fossil fuels and electricity used for vehicles, while "energy for auxiliary services of generation plants" refers to the cost incurred to purchase energy necessary for the operation of the plants. There were no significant changes in these items between 2023 and 2024.

Expenses for energy transport

Energy transportation costs amounted to Euro 224,581 thousand (Euro 178,961 thousand as at 31 December 2023) and relate to charges incurred with energy distributors for the sale of electricity to final customers. These costs are then charged back to the users without any margin. The increase is mainly attributable to the expiry in 2023 of regulatory relief measures that had reduced system charges to address the energy crisis, as well as to higher transportation tariffs following an increase in the WACC recognised to distributors.

Costs for services

Costs for services amounted to Euro 90,825 thousand (Euro 122,960 thousand as at 31 December 2023). Details are shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
COSTS FOR SERVICES	90,825	122,960
Services for energy efficiency interventions	31,558	82,873
Commercial, legal, administrative and professional consultancy	14,457	10,394
Maintenance	13,043	9,506
Insurance	7,993	5,313
Fees for Directors, Auditors, SB and Independent Auditors	4,445	1,490
Telephone and data transmission services	2,616	2,271
Trips and transfers, representation	2,426	1,283
Regarding personnel	2,394	1,798
Costs for Information & Communication Technology services - IT services	2,118	1,930
Costs for bank and postal services	1,162	809
Car park management expenses	1,101	747
Advertising	865	710
Miscellaneous utilities	194	137
Other costs for services	6,455	3,697

The decrease in service costs, totalling Euro 32,135 thousand, is essentially attributable to "Energy efficiency services", which decreased from Euro 82,873 thousand in 2023 to Euro 31,558 thousand in 2024.

This latter includes costs related to energy efficiency interventions, comprising both external costs incurred in CVA's role as General Contractor in the energy efficiency refurbishment of buildings (Euro 15,512 thousand as at 31 December 2024 vs. Euro 79,728 thousand as at 31 December 2023), and subcontracting costs for the installation of renewable energy production plants (Euro 15,995 thousand as at 31 December 2024 vs. Euro 650 thousand as at 31 December 2023).

The increase in maintenance costs is mainly related to the expansion of the Group's plant portfolio compared to the previous year.

Insurance service costs primarily consist of premiums for third-party liability and "All Risk" insurance policies covering the plants (amounting to Euro 2,730 thousand and Euro 1,257 thousand, respectively), with a slight increase compared to the previous year. Other insurance policies more than doubled, rising from Euro 1,029 thousand to Euro 2,873 thousand. This increase is directly attributable to the expansion of the Group's consolidation scope.

Costs for Information & Communication Technology services refer to support services for computer systems, hardware and software maintenance, while telephone and data transmission services refer to fees and maintenance of fixed and mobile telephone networks. Other than this, no significant changes were noted, except for further increases again linked to changes in consolidation scope.

Other service costs, amounting to Euro 6,455 thousand (Euro 3,697 thousand as at 31 December 2023), mainly include:

- Portal and market registration fees of Euro 1,000 thousand (an increase of Euro 145 thousand compared to the previous year);
- Charges to GSE for incentive management of Euro 431 thousand (broadly in line with the previous year);
- Waste disposal costs of Euro 454 thousand (substantially unchanged from the previous year);
- Security services of Euro 2,464 thousand (an increase of Euro 1,867 thousand compared to the previous year, due to the expansion of managed plants);
- Rating acquisition costs of Euro 125 thousand (substantially stable compared to the previous year);
- Other services, expenses, and miscellaneous charges of Euro 1,466 thousand (higher than the previous year, reflecting changes in the consolidation scope).

Expenses from commodities hedging measured at fair value

Hedging costs on commodities measured at fair value amounted to Euro 62,066 thousand (Euro 239,284 thousand as at 31 December 2023), representing the effect of commodity derivative instruments entered into for hedging purposes but not qualifying for hedge accounting. These instruments have been measured at fair value and recognised in the income statement. The change in effects compared to the previous year is related to the market price trend.

Expenses for use of the System

System usage charges totalled Euro 49,372 thousand (Euro 45,339 thousand as at 31 December 2023), referring to costs incurred for electricity dispatching services and charges for the use of transmission networks. Their increase is directly related to the increase in the volumes of energy supplied.

Costs for rents and leases

The item “leases and rental costs” amounted to Euro 4,641 thousand (Euro 1,037 thousand as at 31 December 2023) and the breakdown is as follows:

<i>Amounts in Euro thousands</i>	2024	2023
COSTS FOR RENTS AND LEASES	4,641	1,037
License and software fees	698	325
Rents and leases	284	118
Car park rental fees	211	50
Other costs for rents and leases	3,448	543

The costs recorded in this item correspond to rentals on contracts excluded from the scope of application of IFRS 16 because they do not meet the requirements to be defined as leases or because, although classified as such, they have been excluded due to their duration of less than 12 months or their low unit value. Non-lease components (mainly non-deductible VAT) of lease contracts subject to IFRS 16 are also recorded in this item.

The increase is entirely due to the expansion of the consolidation scope and, in particular, to lease fees on plants acquired from the Solar Venture Group. These contracts were not accounted for under IFRS 16 as their remaining term at the date of first consolidation was less than 12 months.

Connection fees and fixed fees

Connection fees and fixed charges, amounting to Euro 2,504 thousand (Euro 2,099 thousand as at 31 December 2023), refer to costs incurred for activities carried out by the distributor in connection with new connections, increases in power capacity or similar customer service requests. The increase in this item is directly correlated to the expansion of the customer base served.

5. Personnel costs

The breakdown of personnel costs is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
PERSONNEL COSTS	64,580	49,681
Wages and salaries	44,914	35,063
Social security contributions	14,356	11,275
Employee severance indemnity and others	3,926	2,223
Other personnel costs	1,384	1,119

Personnel costs totalled Euro 64,580 thousand (Euro 49,681 thousand as at 31 December 2023). The increase recorded in 2024, amounting to Euro 14,899 thousand, is attributable both to developments within the companies included in the Group's historical scope — which recorded an increase in the average workforce and salary adjustments due to contractual increases — and to changes in the consolidation scope.

The table below shows the average number of employees during the years under review, broken down by category and the related changes:

	2024	2023	Change
Executives	10	5	+5
Managers	79	69	+11
Clerks	524	428	+96
Workers	292	214	+77
TOTAL	905	716	+189

6. Other operating costs

Other operating costs amounted to Euro 59,277 thousand (Euro 90,598 thousand as at 31 December 2023) and are detailed as follows:

<i>Amounts in Euro thousands</i>	2024	2023
OTHER OPERATING COSTS	59,277	90,598
Fees for the derivation of water for hydroelectric use, contributions, licenses and other fees	48,476	45,700
Stamp duties, levies and various taxes	2,863	2,180
Indemnities and penalties	2,624	3,989
Contributions to GSE	-	35,874
Non-recurring operating expenses	1,909	278
Other sundry expenses	3,406	2,577

The item "fees for water concessions for hydroelectric use, contributions, licences and other fees" totalled Euro 48,476 thousand (Euro 45,700 thousand as at 31 December 2023) and includes concession fees for hydroelectric water use payable to the Region and other public bodies, such as Municipalities and the Province of Turin, for water withdrawals based on applicable legislation. On a residual basis, it also includes the fees paid to bodies and authorities for the exercise of the Group's activities. The change reflects increases established by the granting authorities, amounting to approximately Euro 2,278 thousand.

The item "stamp duties, local taxes and various levies" amounted to Euro 2,863 thousand (Euro 2,180 thousand as at 31 December 2023), and includes local property and municipal taxes such as IMU, TASI, TOSAP, COSAP, as well as stamp and registration duties. The increase recorded in 2024 reflects the expansion of the Group's consolidation scope.

The item "compensations and penalties", totalling Euro 2,624 thousand (Euro 3,989 thousand as at 31 December 2023), mainly includes:

- indemnities paid to customers for various types of breach of contract. A large part of this is compensation paid by distribution companies outside the Group and reimbursed to users;
- Environmental compensation fees payable to the municipalities where the Group's wind farms are located, amounting to Euro 1,063 thousand as at 31 December 2024 (an increase of Euro 123 thousand compared to the previous year). It is emphasised that these charges are mainly parametrised to the value of the energy sold and are therefore affected by market price developments.

The item "Contributions to GSE" amounted to zero in 2024, whereas for 2023 it included:

- The extraordinary levy under Article 15-bis of Legislative Decree 4/2023, applicable only in 2023, which resulted in a charge of Euro 35,063 thousand, mainly related to hydroelectric production and, to a lesser extent, photovoltaic production. This contribution was not applicable in 2024;
- the levy under Article 1, paragraph 30, of Law 197/2022, applicable until 30 June 2024, was applicable only to plants excluded from the scope of the previous levy and did not apply to any of the Group's companies.

The item "Other miscellaneous expenses" amounted to Euro 3,406 thousand (Euro 2,577 thousand as at 31 December 2023), mainly comprising: losses on asset disposals of Euro 1,163 thousand; fish repopulation costs of Euro 490 thousand; industry association membership fees of Euro 466 thousand; fines and penalties of Euro 130 thousand.

7. Capitalised days of work

In 2024, capitalised internal works amounted to Euro 13,335 thousand (Euro 8,759 thousand as at 31 December 2023). Capitalised costs refer to the materials used and hours of employees involved in the realisation of assets. Capitalised internal works mainly refer to the distribution infrastructure investments amounting to Euro 10,299 thousand, an increase of Euro 3,586 thousand compared to 2023, in line with the extraordinary network upgrade plan. The remaining Euro 3,036 thousand mainly relates to extraordinary maintenance on hydroelectric plants (Euro 1,492 thousand), energy efficiency works on Group buildings (Euro 871 thousand), and in-house construction of photovoltaic plants (Euro 580 thousand).

8. Amortisation/Depreciation

Amortisation/depreciation can be detailed as follows:

Amounts in Euro thousands	2024	2023
AMORTISATION/DEPRECIATION	88,742	77,196
Proprietary tangible assets	82,890	73,163
Rights of use on tangible assets	1,622	1,163
Proprietary intangible assets	3,711	2,669
Rights of use for intangible assets	510	201

Depreciation of owned property, plant and equipment amounted to Euro 82,890 thousand (Euro 73,163 thousand as

at 31 December 2023) and is detailed as follows:

<i>Amounts in Euro thousands</i>	2024	2023
DEPRECIATION OF PROPRIETARY TANGIBLE ASSETS	82,890	73,163
Buildings	5,448	5,068
Plants and machinery	75,641	66,698
Industrial and commercial equipment	319	251
Other assets	1,299	953
Leasehold improvements	192	193

The increase in depreciation on plants and machinery, amounting to Euro 8,944 thousand, mainly reflects the expansion of the Group's plant portfolio.

Depreciation of owned intangible assets amounted to Euro 3,711 thousand, detailed as follows:

<i>Amounts in Euro thousands</i>	2024	2023
AMORTISATION OF PROPRIETARY INTANGIBLE ASSETS	3,711	2,669
Industrial patents and intellectual property rights	1,980	1,796
Concessions, licences, trademarks and similar rights	304	210
Other intangible assets	1,426	662

The increase recorded on patents and intellectual property rights, amounting to Euro 184 thousand, reflects software investments made within the distribution business.

The amortisation of rights of use are recognised in accordance with IFRS 16 for a total of Euro 2,132 thousand, including Euro 1,622 thousand for rights of use on tangible assets (land, buildings, vehicles and equipment) and Euro 510 thousand for rights of use on intangible assets (building rights and rights of way). A summary table of movements in user rights is available in note 14.

9. Provisions and write-downs

Provisions and net impairments, net of releases, amount to Euro 513 thousand (Euro 655 thousand as at 31 December 2023), detailed as follows:

<i>Amounts in Euro thousands</i>	2024	2023
PROVISIONS AND WRITE-DOWNS	513	655
Net write-downs		
Ordinary	406	1,166
Extraordinary	5,450	1,330
Net provisions		
Ordinary	566	99
Extraordinary	(5,909)	(1,940)

A breakdown of the item "write-downs" is provided in the table below:

<i>Amounts in Euro thousands</i>	2024	2023
ORDINARY WRITE-DOWNS	1,002	1,166
Write-downs of fixed assets	81	47
Bad debts	921	1,119
Proceeds from provisions for bad debts	(596)	-
EXTRAORDINARY WRITE-DOWNS	4,854	1,330
Impairment of goodwill	-	1,322
Bad debts	5,494	391
Proceeds from provisions for bad debts	(44)	(382)

In the current year, credit impairments were recognised for a total of Euro 6,415 thousand (Euro 1,510 thousand as at 31 December 2023). The credit impairments mainly concern CVA Energie and relate to trade receivables from customers and from the Customs Agency for excise tax surcharges on energy consumption. These surcharges were reimbursed following disputes arising from the declared incompatibility of the surcharge with European legislation. The amounts reimbursed by CVA Energie to customers should, in principle, be reimbursed by the customers themselves (if they lose in subsequent levels of litigation) or by the Customs Agency (in case of a final civil court ruling against the Company). However, the uncertainty surrounding the matter makes the recoverability of these receivables uncertain.

The following table provides a breakdown of "Provisions":

<i>Amounts in Euro thousands</i>	2024	2023
ORDINARY PROVISIONS	566	99
Allocations to provisions for risks and charges	566	99
Reversal to income of provisions for sundry risks and charges	-	-
EXTRAORDINARY PROVISIONS	(5,909)	(1,940)
Allocations to provisions for risks and charges	-	347
Reversal to income of provisions for sundry risks and charges	(5,909)	(2,287)

Net provisions (where releases prevail), amounting to Euro -5,343 thousand (Euro -1,841 thousand as at 31 December 2023), mainly refer to the release of Euro 5,323 thousand from the provision previously set aside to cover risks arising from the aforementioned disputes concerning excise tax surcharges. This release is naturally offset by the above-mentioned impairment, as the potential outflows initially recognised as risk provisions, once reimbursed, turn into a risk of non-collection of the related receivables. The remaining amount of Euro 586 thousand in releases relates to the risk provision set aside for the non-recognition of excise duty exemption for self-producers. Specifically, this amount refers to contested excise duties for which no payment notices were ever received and for which the statute of limitations has expired.

10. Financial management

Financial management generated a negative margin of Euro 13,997 thousand (compared to a positive margin of Euro 7,557 thousand in the previous year). The breakdown of the margin is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
FINANCIAL MANAGEMENT	(13,997)	7,436
Financial income	18,518	14,771
Financial expenses	(30,252)	(7,479)
Results from investments	(2,262)	145

Financial income

Financial income amounts to Euro 18,518 thousand (Euro 15,237 thousand as at 31 December 2023) and is detailed as follows:

Amounts in Euro thousands	2024	2023
INCOME	18,518	14,771
Interest income on bank deposits	8,444	4,165
Interest income on trade receivables	4,736	5,911
Interest income and income from financial investments	1,049	546
Interest income and income on financial receivables from related parties	665	353
Dividends	180	180
Other income	3,445	3,616

This income mainly includes interest income earned on bank deposits and trade receivables. Other income includes Euro 1,593 thousand from premiums collected for call options sold to third parties for the purchase of authorisations to build photovoltaic plants, and Euro 1,101 thousand from interest accrued on security deposits provided as collateral for derivative transactions on markets with daily margining.

Financial expenses

Financial charges amount to Euro 32,706 thousand (Euro 7,680 thousand as at 31 December 2023), detailed as follows:

Amounts in Euro thousands	2024	2023
EXPENSES	30,252	7,479
Interest and expense on bank loans	25,025	2,113
Interest expense on rights of use (IFRS16)	624	446
Interest expense on bonds	485	481
Other financial expenses	4,119	4,440

The item "interest and charges on bank borrowings", amounting to Euro 25,025 thousand (Euro 2,113 thousand as at 31 December 2023), includes all charges arising from financing transactions (including effects from the application of the amortised cost method), net of the effects of any hedging transactions. The increase in this item, equal to Euro 22,912 thousand, is due to the higher level of indebtedness of the Group.

It should be noted that the figure for the previous year was affected by an extraordinary transaction that resulted in the recognition in the income statement of Euro 20,497 thousand relating to income from pre-hedging transactions, which had been suspended in previous years under hedge accounting rules. Interest expense on lease liabilities amounts to Euro 624 thousand (Euro 446 thousand as at 31 December 2023), and corresponds to the interest calculated on lease contracts accounted for in accordance with IFRS 16. Interest expense on bonds amounts to Euro 485 thousand (Euro 481 thousand as at 31 December 2023), and includes interest on the bond issued in November 2021 and maturing in 2028, adjusted for charges arising from the application of the amortised cost method. The item "other financial charges", amounting to Euro 4,119 thousand (Euro 4,440 thousand as at 31 December 2023), mainly includes:

- Euro 685 thousand deriving from the adjustment of liabilities for surface rights indexed to inflation;
- charges for the discounting of provisions (specifically, provisions for plant decommissioning and provisions for employee benefits) for Euro 546 thousand;
- Euro 155 thousand for factoring transactions;
- The remainder essentially refers to fees on bank loans.

Results from investments

The item "Result from equity investments" is negative for Euro 2,262 thousand (positive for Euro 145 thousand as of 31 December 2023) and includes not only the net result, attributable to the Group, of the investments in associated companies (valued according to the corresponding fraction of shareholders' equity), but also the change in the fair value of the liabilities for the acquisition of minorities where there is a combination of options that makes their acquisition highly probable.

Amounts in Euro thousands	2024	2023
RESULTS FROM INVESTMENTS	(2,262)	145
Write-backs/(write-downs) of equity investments	170	145
Fair value changes on minority purchase obligations	(2,432)	-

11. Income taxes

Income taxes amount to Euro 93,073 thousand for the year 2024 (Euro 59,635 thousand as at 31 December 2023), and are detailed as follows:

Amounts in Euro thousands	2024	2023
INCOME TAXES	93,073	59,635
Current IRES	89,046	51,415
Current IRAP	15,518	7,183
IRES deferred tax assets	1,041	3,276
IRAP deferred tax assets	(235)	424
IRES deferred tax liabilities	(3,124)	(1,345)
IRAP deferred tax liabilities	(124)	(112)
Taxes from previous years	(3,468)	(1,091)
Extraordinary taxes	-	(130)
Other tax charges / (income)	(5,582)	16

The increase in current taxes is mainly due to the rise in pre-tax profit, which increased from Euro 220,582 thousand as at 31 December 2023 to Euro 311,796 thousand as at 31 December 2024. Deferred and prepaid IRES and IRAP taxes show a positive effect of Euro 2,442 thousand as at 31 December 2024, compared to a charge of Euro 2,270 thousand as at 31 December 2023.

The following statement shows the reconciliation between the IRES ordinary rate and effective rate.

IRES - Reconciliation between theoretical and effective tax expense	Notes	2024
Pre-tax result	A	311,843
Theoretical tax expense	B	74,842
Temporary differences taxable in subsequent years	C	14,746

Temporary differences deductible in subsequent years	D	(4,773)
Reversal of taxable temporary differences from previous years	E	17,790
Reversal of deductible temporary differences from previous years	F	(7,322)
Permanent differences	G	15,484
Taxable amount	[A+C+D+E+F+G]	347,767
Current taxes (including charges/income from tax consolidation)	[I]	83,464
Effective rate	[L]	26.76%

The reconciliation between the IRAP ordinary rate and the effective rate is not significant.

Comment on the main Consolidated Statement of Financial Position items

The breakdown of the main items of the consolidated statement of financial position at 31 December 2024 is provided here below.

12. Tangible assets

Tangible assets totalled Euro 1,031,244 thousand at 31 December 2024 (Euro 939,353 thousand at 31 December 2023). Tangible assets are all the proprietary tangible assets and the rights of use on tangible assets. Their breakdown and changes are shown in the table below:

<i>Euro thousands</i>	Proprietary tangible assets	Rights of use on tangible assets	Total
Historical cost	1,691,725	16,234	1,707,960
Provisions for amortisation	(761,138)	(3,875)	(765,013)
Net value at 31.12.2023	930,587	12,360	942,947
Increases	172,499	3,598	176,097
Amortisation/Depreciation	(82,806)	(1,716)	
Decreases due to contract termination	-	(337)	(337)
Change in amortisation fund for completed/acquired contracts	870		111
Change in Right of use for concluded contracts	-	(1,436)	(1,436)
Reclassifications	(645)	-	(645)
Disposals	(1,681)		(1,681)
Other changes	(382)	333	(50)
Total net changes in 2024	86,986	1,311	88,297
Historical cost	1,881,938	18,397	1,900,335
Provisions for amortisation	(864,365)	(4,726)	(869,092)
Net value at 31.12.2024	1,017,573	13,671	1,031,244

With reference to the rights of use and their description, please refer to explanatory note no. 14

Proprietary tangible assets

The following table summarises the changes in proprietary tangible assets:

<i>Euro thousands</i>	Land	Buildings	Plants and machinery	Industrial and commercial equipment	Other assets	Leasehold improvements	Tangible assets in progress and advances	Total
Historical cost	32,078	151,276	1,279,542	5,428	15,110	3,321	204,971	1,691,725
Provisions for amortisation	(66)	(63,506)	(680,099)	(4,027)	(12,076)	(1,364)		(761,138)
Net value at 31.12.2023 (restated)	32,012	87,770	599,443	1,400	3,034	1,957	204,971	930,587
Increases	16,605	5,281	85,222	486	685	(1)	64,221	172,499
Amortisation/Depreciation	-	(5,448)	(75,549)	(319)	(1,298)	(192)	-	(82,806)
Reclassifications	1,161	4,469	26,028	213	1,402	28	(33,946)	(645)
Disposals	(537)	(18)	(1,708)	8	4	(34)	604	(1,681)
Write-downs	-	-	-	-	-	-	0	0
Other changes	-	(752)		2	109	-	258	(382)
Total net changes in 2024	17,229	3,531	33,993	390	903	(199)	31,138	86,986
Historical cost	49,268	163,912	1,406,039	6,065	17,234	3,311	236,108	1,881,938
Provisions for amortisation	(28)	(72,611)	(772,603)	(4,275)	(13,296)	(1,553)		(864,365)
Net value at 31.12.2024	49,241	91,301	633,436	1,790	3,938	1,758	236,108	1,017,573

Land

This item, amounting to Euro 49,241 thousand (Euro 32,012 thousand as at 31 December 2023), mainly includes land connected to the Group's buildings and industrial plants. The increase is mainly due to the expansion of the consolidation scope as well as the progress of investments in photovoltaic plants.

Buildings

This item, amounting to Euro 91,031 thousand (Euro 87,770 thousand as at 31 December 2023), mainly includes industrial buildings connected to the Group's plants. The increase is mainly due to the expansion of the Group's scope and the ongoing construction activities of photovoltaic plants.

Plants and machinery

This item, amounting to Euro 633,436 thousand (Euro 599,433 thousand as at 31 December 2023), includes costs related to hydroelectric, wind and photovoltaic power generation plants, as well as distribution networks. Electricity production assets include freely transferable works connected with concessions. The increase recorded in 2024 is mainly due to the inclusion of companies operating in photovoltaic energy production within the consolidation scope. It should be noted that plants acquired through corporate transactions during the year were recognised at their fair value, and the surplus arising compared to book values has been amortised over the same useful life as the original asset. In addition, the progress in the construction of new plants has contributed to the increase.

Industrial and commercial equipment

This item, amounting to Euro 1,790 thousand (Euro 1,400 thousand as at 31 December 2023), includes costs related to the purchase of ancillary or auxiliary assets for plants and machinery, and various equipment. Also in this case, the increases are primarily attributable to the extension of the scope of consolidation.

Other assets

This item, amounting to Euro 3,938 thousand (Euro 3,034 thousand as at 31 December 2023), includes costs related to the purchase of furniture, office equipment and vehicles. Also in this case, the increases are primarily attributable to the extension of the scope of consolidation.

Leasehold improvements

This item, amounting to Euro 1,758 thousand (Euro 1,957 thousand as at 31 December 2023), mainly includes costs incurred by CVA for the construction of a photovoltaic plant located at the ISITIP School Institute, as part of a project developed jointly with the Institute itself, as well as improvements related to the Lamacarvotta and Lamia di Clemente wind farms.

Assets in progress and advances

The item "Assets under construction", amounting to Euro 236,108 thousand (Euro 204,972 thousand as at 31 December 2023), includes all costs incurred for investments currently under development and not yet operational, mainly relating to renewable energy production plants.

Overall, during the year 2024, there was a net increase in tangible assets mainly due to the combined effect of the ordinary depreciation process (Euro 82,806 thousand), investments for the year (Euro 169,489 thousand) and disposals (Euro 1,681 thousands), mainly for goods that have been eliminated from the production cycle due to plant modernisation.

The following table details the main investments carried out during the year:

<i>Amounts in millions of Euro</i>	
Hydro – type of interventions	
Extraordinary maintenance of plants and water intake works	17.2
Total Hydro	17.2
Other RES (Renewable Energy Sources) – type of interventions	
Extraordinary maintenance of plants in operation	1.8
Progress in development of photovoltaic projects and plants in portfolio	45.4
Acquisition of new photovoltaic projects and plants	67.3
Revision of decommissioning charges	2.0
Other investments	0.5
Total Other RES	117.0
Energy Efficiency – type of interventions	
Construction of green hydrogen electrolyser	2.0
Other investments	1.0
Total Energy Efficiency	3.0
Distribution – type of interventions	
Extraordinary maintenance and development of high voltage networks	6.0
Extraordinary maintenance and development of medium voltage networks	6.4
Extraordinary maintenance and development of low voltage networks	10.9
Other investments	1.7
Total Distribution	25.0
Corporate – type of interventions	
Purchase of office buildings	3.3
Extraordinary maintenance of corporate buildings	3.9
Other investments	0.4
Total Corporate	7.6

13. Intangible assets

Intangible assets, amounting to Euro 46,960 thousand (Euro 20,687 thousand as at 31 December 2023), consist of owned intangible assets and right-of-use assets on intangible items. Their breakdown and changes are shown in the table below:

<i>Euro thousands</i>	Proprietary intangible assets	Rights of use for intangible assets	Total
Historical cost	54,420	5,478	59,899
Provisions for amortisation	(33,533)	(357)	(33,890)
Net value at 31.12.2023	20,887	5,122	26,009
Increases	33,518	12,742	46,261
Amortisation/Depreciation	(3,710)	(510)	(4,220)
Decreases due to contract termination	-	-	
Change Accumulated amortisation for concluded contracts	-	(1,522)	
Change in Right-of-use assets for completed/acquired contracts	-	5,645	5,645
Reclassifications	(3,536)	3,683	148
Disposals	(198)	-	(198)
Other changes	-	(674)	(674)
Total net changes in 2024	26,074	19,364	45,438
Historical cost	82,253	28,567	110,820
Provisions for amortisation	(35,294)	(4,081)	(39,375)
Net value at 31.12.2024	46,960	24,486	71,445

With reference to the rights of use and their description, please refer to explanatory note no. 14

Proprietary intangible assets

The breakdown and change in "Proprietary intangible assets" is shown in the following table:

<i>Euro thousands</i>	Industrial patents and intellectual property rights	Concessions, licenses, trademarks and similar rights	Intangible assets in progress and advances	Other intangible assets	Total
Historical cost	29,687	5,164	2,957	16,613	54,420
Provisions for amortisation	(22,538)	(2,109)	-	(8,886)	(33,533)
Net value at 31.12.2023	7,149	3,055	2,957	7,726	20,887
Increases	791	350	2,935	29,442	33,518
Amortisation/Depreciation	(1,980)	(301)	-	(1,429)	(3,710)
Reclassifications	433	(1,526)	(492)	(1,951)	(3,536)
Disposals	-	(0)	-	(198)	(198)
Write-downs	-	-	-	(2)	(2)
Other changes	-	-	-	-	
Total net changes in 2024	(756)	(1,477)	2,443	25,862	26,072
Historical cost	30,876	3,860	5,399	42,118	82,253
Provisions for amortisation	(24,353)	(2,411)	-	(8,530)	(35,294)
Net value at 31.12.2024	6,522	1,449	5,399	33,589	46,960

Industrial patents and intellectual property rights

This item, amounting to Euro 6,522 thousand (Euro 7,149 thousand as at 31 December 2023), mainly refers to costs incurred for the purchase of business and management software, amortised over five years.

Concessions, licences, trademarks and similar rights

This item, amounting to Euro 1,449 thousand (Euro 3,055 thousand as at 31 December 2023), mainly consists of concessions for the use of fibre optic infrastructure and for the production of hydroelectric, photovoltaic and wind energy. The decrease is mainly attributable to a reclassification of property rights that were deemed more appropriately represented as right-of-use assets.

Intangible assets in progress and advances

This item, amounting to Euro 4,068 thousand (Euro 2,957 thousand as at 31 December 2023), mainly consists of ongoing investments related to the construction of new photovoltaic plants and, to a lesser extent but still significant, to software licences and related implementation costs.

Other intangible assets

This item, amounting to Euro 34,920 thousand (Euro 7,726 thousand as at 31 December 2023), includes multi-year charges incurred for the acquisition of easement and surface rights on land hosting photovoltaic, wind and hydroelectric power generation plants, as well as the value of intangible assets recognised at fair value in connection with the assets acquired through business combinations that have driven the Group's growth over the past two years.

In particular, the change in intangible assets in 2024 is essentially attributable to the combined effect of ordinary amortisation (Euro 3,650 thousand) and current year investments (Euro 33,192 thousand), which mainly relate to the acquisition of the customer portfolio of Sunnerg Group Srl, with a fair value exceeding Euro 25 million.

14. Rights of use of tangible and intangible assets and related financial liabilities

At 31 December 2024, rights of use on tangible and intangible assets amounted to Euro 38,157 thousand (Euro 17,483 thousand at 31 December 2023).

The following table summarises the breakdown and movements during the year, as well as the movements of the related financial liabilities recorded in the balance sheet liabilities:

RIGHT-OF-USE ASSETS					
	Intangible rights of use	Tangible rights of use			Total
	Building rights and easement fees	Rights of use on real estate	Rights of use on industrial and commercial equipment	Rights of use on other assets	
Opening value of right of use	5,478	13,740	167	2,328	21,713
Accumulated amortisation	(357)	(2,628)	(96)	(1,151)	(4,231)
Net value at 31.12.2023	5,122	11,111	71	1,177	17,481
Increases for new contracts	12,742	1,537	-	2,060	16,340
Decreases due to contract termination	-	(3)	-	(334)	(337)
Amortisation/Depreciation	(510)	(1,109)	(60)	(547)	(2,226)
Change in amortisation fund for completed/acquired contracts	(1,522)	326	-	544	(652)
Change in Right of use for concluded contracts	5,645	(1,178)	-	(258)	4,208
Reclassifications	3,683	-	-	-	3,683
Other changes	(674)	218	108	6	(342)
Total net changes in 2024	19,364	(210)	49	1,472	20,675

RIGHT-OF-USE ASSETS					
	Intangible rights of use	Tangible rights of use			Total
	Building rights and easement fees	Rights of use on real estate	Rights of use on industrial and commercial equipment	Rights of use on other assets	
Closing value of right of use	28,567	14,313	276	3,809	46,964
Provisions for amortisation	(4,081)	(3,411)	(156)	(1,159)	(8,808)
Net value at 31.12.2024	24,486	10,902	120	2,649	38,157
Residual capital portion at 31.12.2022	5,008	10,509	60	1,183	16,759
Accrued interest to 31.12.2022	29	121		1	152
Total financial liability 2023	5,037	10,630	60	1,184	16,911
Increases for new contracts	135	3,774	-	2,060	5,969
Decreases due to contract termination	(15)	(981)	-	(49)	(1,044)
Increases/(decreases) due to changes in fees	21	208	108	(5)	333
Installments paid in the year	(388)	(1,212)	(62)	(608)	(2,270)
Capital portion	(154)	(881)	(61)	(543)	(1,639)
Interest	(234)	(336)	(1)	(64)	(635)
Residual capital portion at 31.12.2024	4,995	12,630	107	2,646	20,379
Accrued interest	29	110		1	140
Total financial liability 2024	5,023,508	12,740,725	107,396	2,647,189	20,519

SUMMARY OF ECONOMIC EFFECTS					
accrued interest	234	325	1	64	624
amortisation/depreciation	510	1,109	60	547	2,226
Non lease component	-	-	-	27	27
Total costs on the income statement 2024	743,601	1,433,629	60,780	638,716	2,877

Rights of use for building rights and easement fees correspond to the value of contracts for the granting of such rights for which a periodic fee is paid. A portion of the fees is due to the related party Region. Rights of use of real estate assets primarily reflect the value of contracts concerning the lease of land on which wind farms are located and the lease of operating buildings. Rights of use of other assets mainly represent the value of rental contracts for the fleet of company vehicles. With reference to financial liabilities, the table below shows their maturity by bracket and the related expected financial outlay:

SUMMARY OF ECONOMIC EFFECTS			
	Within 1 year	more than 1 year, but within 5 years	More than 5 years
Expected cash flows (instalments to be paid)	2,495	7,240	14,169
Capital portion by maturity	2,077	6,369	12,072

15. Goodwill

At 31 December 2024, goodwill amounted to Euro 471,077 thousand (Euro 419,531 thousand at 31 December 2023).

Goodwill is considered an intangible asset with indefinite useful life and is therefore not amortised, but is subjected at least once a year to an impairment test in order to verify the recoverability of the value recognised in the financial statements. Since goodwill does not generate independent cash flows and cannot be sold separately, the impairment

testing of recognised goodwill is carried out by referring to the cash-generating unit to which it may be allocated. The cash-generating units are identified with the individual Business Units and correspond to the business segments represented in the introduction to these notes and are based on the Group's management structure and internal reporting system.

This method allows the most effective verification of future goodwill and investment plans and provides a homogeneous analysis of the information disclosed to the market. The following table shows the allocation of the item Goodwill to the cash-generating units:

Amounts in Euro thousands	2024	2023
Hydroelectric	173,544	173,544
Other RES	250,234	201,028
Distribution	7,896	7,896
Energy efficiency	39,403	37,063
TOTAL GOODWILL	471,077	419,531

The impairment test consists of verifying that the book value of an asset recognised in the financial statements does not exceed the estimate of the recoverable value of the asset itself. The recoverable value of an asset is the higher of its fair value less costs to sell and its value in use.

The impairment test as at 31/12/2024 used the Unlevered Discounted Cash Flow (UDCF) method to estimate value, whereby operating cash flows are discounted at a rate equal to the weighted average cost of capital (WACC) in order to obtain the value of the company's operating capital (Enterprise Value). The UDCF method is based on the assumption that the value of the operating capital of a company at a certain date (the reference date) is equal to the current value of the cash flows produced by the company's operating management. The prevailing doctrine and professional practice suggest to break down the operating value of the company into two parts to be assessed independently:

- current value of cash flows produced by the company's operating management over a defined period of time (explicit projection period);
- current value of the company's operating activities at the end of the explicit projection period (Terminal Value).

The estimates of cash flows over the explicit projection period are based on the most recent budget or multi-year plan approved by the Board of Directors, excluding any future cash inflows or outflows expected to result from future restructurings, improvements, or optimisations of business performance. The cash flow forecast also takes into account information from external sources (by way of indication, prices on futures markets or information from macroeconomic research). Expected operating costs are based on plans specifically formulated at the level of a single CGU. The methodology for calculating terminal value varies between CGUs in order to better represent the specificities of each business.

The WACC used in carrying out the impairment tests in the last two financial years for each CGU is shown below:

Percentage values	2024	2023
Hydroelectric	6.30%	6.70%
Other RES	6.20%	6.80%
Distribution	5.20%	5.80%
Energy efficiency	7.50%	8.40%

Hydroelectric CGU

The value of goodwill, equal to Euro 173,544 thousand at 31 December 2024, was generated mainly following the acquisition of ENEL plants in 2001. There were no changes in goodwill attributable to this CGU compared to the previous year.

Other RES CGU

At 31 December 2024, goodwill attributable to this CGU amounted to Euro 250,234 thousand and consisted of goodwill recognised at the time of the acquisition of the Group's wind and photovoltaic plants (productive and under development). The change recorded during the year is mainly attributable to the inclusion within the consolidation

scope of the Solar Ventures group, Eolica Cancellara S.r.l., and Sunnerg Group S.r.l. The value recorded as goodwill corresponds to the portion of the price that cannot be allocated to the assets acquired and therefore recorded as goodwill and subjected to an impairment test. With particular reference to Eolica Cancellara, all the difference between the acquisition price and the book values at the acquisition date has been temporarily allocated to goodwill and the final allocation will be finalised within 12 months from the acquisition date (Ref. p.45 IFRS 3).

Distribution CGU

At 31 December 2024, the goodwill attributable to this CGU amounted to Euro 7,896 thousand. This goodwill was recognised in 2001 upon the transfer of the electricity business division carried out by Enel Distribuzione S.p.A. in favour of DEVAL. There were no changes in goodwill attributable to this CGU compared to the previous year.

Energy Efficiency CGU

At 31 December 2024, the goodwill attributable to this CGU amounted to Euro 39,403 thousand. This goodwill was recognised in 2023 following the acquisitions by CVA Smart Energy S.r.l. of the companies NUOVA ENERGIA S.r.l., R.S. SERVICE S.r.l. as part of the business branch acquisition by R.T.S. (RENEWABLE TECHNICAL SOLUTIONS) S.r.l. The change in value during the year is due to two business branch acquisitions carried out by Nuova Energia.

16. Equity investments

At 31 December 2024, equity investments amounted to Euro 23,213 thousand (Euro 23,780 thousand at 31 December 2023).

The item includes:

- **equity investments, consisting of equity investments in companies in which the Group has joint control or exercises significant influence, so-called associates.** At 31 December 2024, the Group held the following investments in associated companies:

Investment	Registered Office	% of ownership	Share capital	Shareholders' equity	Of which profit (loss) of the year	Equity attributable to the Group	Investment value
ByoPro Dev 3 S.r.l.	Rome (RM), Via Sardegna	20.00%	10	1	(3)	0	582
Cairone 1 S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(61)	(77)	(12)	493
Cairone 3 S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(34)	(52)	(7)	337
Clanis Sun Srl S.r.l.	Arezzo (AR), area Rigutino Ovest 253/B	20.00%	10	9	(3)	2	125
Duna Solare S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	10	(3)	2	201
Fila Sviluppì S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	10	(4)	2	170
Fioriti S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	11	(3)	2	266
Grifoni PV Srl S.r.l.	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%	10	10	(2)	2	67
Maiella Solare S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	10	(3)	2	491
Nora Solare S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	10	(3)	2	39
PFM S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(25)	(47)	(5)	293
Poggio Olivastro S.r.l.	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%	10	(2)	(3)	(0)	26
Salomone 1 S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	5	(10)	1	574

Investment	Registered Office	% of ownership	Share capital	Shareholders' equity	Of which profit (loss) of the year	Equity attributable to the Group	Investment value
San Giorgio Rinnovabili Prima S.r.l.	Trieste (TS), Via Carducci 8	20.00%	10	10	(1)	2	47
Sant'Alessio Rinnovabili Prima S.r.l.	Trieste (TS), Via Carducci 8	20.00%	10	10	(2)	2	41
Siamaggiore S.r.l.	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%	10	7	(3)	1	64
Sicilia Power S.r.l.	Arezzo (AR), area Rigutino Ovest 253/B	20.00%	10	9	(3)	2	2
Solar Liri S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	10	(3)	2	10
Solar PV Uno S.r.l.	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%	10	7	(5)	1	776
Sole D'Abruzzo S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	11	(3)	2	143
SR Foggia 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	9	(3)	2	66
SR Toritto 01 S.r.l.	Montemesola (TA), Viale Degli Ulivi SNC	20.00%	2	1	(1)	0	32
SR Troia 1 S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	10	(3)	2	157
STM22 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	(2)	(15)	(0)	802
STM24 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	7	(7)	1	75
STM25 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	9	(5)	2	2
Tep Renewables (Chiaromonte Gulfi 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	12	(3)	2	255
Tep Renewables (Licodia Eubea 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	12	(3)	2	368
Tep Renewables (Scicli 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	11	(3)	2	373
Tep Renewables (Vittoria 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	11	(3)	2	196
Vittoria Progetti S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	9	(4)	2	215
Vittoria Sviluppo S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	9	(4)	2	64
Rosa Del Deserto 1 S.r.l.	Rome (RM), Via Sardegna 41	20.00%	10	10	(3)	2	607
Sole RF S.r.l.	Montemesola (TA), Viale Degli Ulivi SNC	20.00%	2	(6)	(8)	(1)	0
SR Manfredonia 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	7	(3)	1	151
Grande Rinnovabili S.r.l.	Trieste (TS), Via Carducci 8	20.00%	10	(11)	(1)		1
SR Manfredonia 2 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	8	(2)		83
STM26 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	4	(6)		2
EOS San Severo 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	5	(3)	1	26
EOS Serra 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	5	(3)	1	21
EOS Serra 2 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	5	(3)	1	24
Fresa Grandinara Wind S.r.l.	Santopadre (FR), Via Don G. Corda 20	20.00%	10	8	(2)	2	59
Tufillo Wind S.r.l.	Santopadre (FR), Via Don G. Corda 20	20.00%	10	7	(3)	1	59

Investment	Registered Office	% of ownership	Share capital	Shareholders' equity	Of which profit (loss) of the year	Equity attributable to the Group	Investment value
Telcha S.r.l.	Chatillon (AO), Via Stazione, 31	10.98%	17.668	24.805	1.726	2.724	2.724
TOTAL							11,109

Apart from the company TELCHA (which is active in the district heating sector), the other companies are all vehicles with one or more projects in development for wind and/or photovoltaic plants. The Group's interest is to acquire a 100% stake in these companies when the projects finish their development phase and reach a stage where it is possible to proceed with the construction of the plants.

- **non-controlling interests measured at fair value**, at 31 December 2024 consisting of the investment in:
 - LE BRASIER, a company active in the provision of district heating services in the municipality of Morgex. The value of the equity investment amounts to Euro 145 thousand and represents 13.70% of the shareholders' equity. At 31 August 2024 (end of the corporate year), LE BRASIER showed a profit of Euro 16 thousand; shareholders' equity, at the same date, amounted to Euro 1,061 thousand. During the year, the equity investment was revalued by Euro 2 thousand. In the absence of better indicators, equity is considered the best estimate of fair value.
 - Bonifiche Ferraresi S.p.A. The value of the investment amounts to Euro 12,000 thousand and represents 3% of the share capital of the Società per la Bonifica dei Terreni Ferraresi e per Imprese Agricole S.p.A. Società Agricola, belonging to the BF Group and controlled by B.F. S.p.A. majority shareholder. The aforementioned transaction was carried out to share the BF Group development in the Agritech & Food sector. The equity investment was acquired on 23 December 2023.
 - The value of the provision contributed to the I.T.S. Foundation in the amount of Euro 8 thousand.

17. Deferred tax assets and deferred tax liabilities

The changes relating to "deferred tax assets" and "deferred tax liabilities" by type of time differences are detailed below:

Deferred tax assets and liabilities	2024	2023
Deferred tax assets for:		
Differences in value on tangible and intangible assets	15,462	18,373
Write-down of trade and other receivables	12	12
Charges, bonuses and other employee benefits	1,147	861
Provisions for risks and charges	3,104	2,459
Non-deductible interest	1,622	1,622
Application of IFRS 15	3,836	4,095
Valuation of financial instruments	19,519	47,516
Previous losses	1,304	1,333
Other items	2,059	487
Total deferred tax assets	48,065	76,758
Deferred tax liabilities for:		
Differences in value on tangible and intangible assets	(81,406)	(66,776)
Charges, bonuses and other employee benefits	(188)	(577)
Valuation of financial instruments	(21,594)	(58,060)
Other items	(562)	(430)
Total deferred tax liabilities	(103,751)	(125,843)
Total net deferred tax assets/(liabilities)	(55,685)	(49,085)
Net change	(6,600)	20,860
of which:		
Ø Change in scope of consolidation	(737)	(55,802)

Deferred tax assets and liabilities	2024	2023
Ø Income Statement	2,442	(2,242)
Ø Shareholders' Equity	(8,305)	(71,121)

The "deferred tax assets" recognised in the financial statements, for IRES and IRAP purposes, as there is a reasonable certainty of their recoverability, amounted to Euro 48,065 thousand at 31 December 2024 (Euro 76,578 thousand at 31 December 2023).

The decrease in the value of deferred tax assets recognised in 2024 is mainly due to the reduction of deferred tax assets recognised against changes in the fair value of financial instruments (specifically interest rate swaps) accounted for under hedge accounting.

This return of advance payments produced its effects in the statement of comprehensive income.

Deferred taxes amounted to Euro 103,751 thousand at 31 December 2024 (Euro 125,843 thousand at 31 December 2023). The increase is mainly due to the differences in the value of financial instruments due to the change in the fair value of interest rate hedging derivatives on loans. Since these transactions are accounted for in accordance with the hedge accounting principles of IFRS 9, the impact of these increases was reflected in the appropriate equity reserves. The increase in taxable differences on tangible and intangible assets, on the other hand, is mainly attributable to the extension of the scope of consolidation and the allocation of the purchase prices of investments to fixed assets.

For IRES purposes, deferred taxation was calculated using the ordinary rate of 24%, while for IRAP purposes it was calculated using a rate of 3.9%.

18. Non-current financial assets

At 31 December 2024, non-current financial assets amounted to Euro 51,710 thousand (Euro 46,804 thousand at 31 December 2023). The item is detailed in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
NON-CURRENT FINANCIAL ASSETS	51,710	46,804
Loan to associates	21,862	15,469
Insurance policies	17,866	25,009
Advances on investments	10,714	5,739
Portfolio of securities/funds with maturity	626	130
Others	642	457

The item "Loans to associates", amounting to Euro 21,852 thousand (Euro 15,469 thousand as at 31 December 2023), mainly includes all interest-free, open-ended shareholder loans granted to special purpose entities in which the Group holds a minority interest, as described above. The Group finances the development of the projects that characterise the operation of these vehicles with the aim of acquiring ownership upon completion of the authorisation procedures. This was due to the extension of the scope of consolidation during the year. All loans described are accounted for using the amortised cost method.

The capitalisation insurance policies, equal to Euro 17,866 thousand at 31 December 2024 (Euro 25,009 thousand at 31 December 2023), refer to the fair value of liquidity investments through the underwriting of insurance policies. For further details, the following table summarises the composition and size of the policies portfolio:

<i>Amounts in Euro thousands</i>	INSURED CAPITAL	CAPITAL REVALUED AT 31.12.2024	Of which falling due within 12 months
INSURANCE POLICIES	23,794	25,422	7,555
Cardif Vita S.p.A.	4,500	4,929	4,929
Alleanza Assicurazioni S.p.A.	10,000	10,725	-

AXA Assicurazioni S.p.A.	5,960	6,297	-
Generali Italia S.p.A.	2,500	2,627	2,627
Alleanza Assicurazioni S.p.A.	834	844	-

Advances on investments, amounting to Euro 10,714 thousand (Euro 5,739 thousand as at 31 December 2023), have been paid in view of the future acquisition of corporate vehicles in which the Group currently holds a minority interest. As already explained, these vehicles aim to develop projects for wind and photovoltaic plants and the Group has an interest in acquiring full ownership when the development reaches completion and the plant has all the authorisations to be built.

Other non-current financial assets, amounting to Euro 642 thousand (Euro 457 thousand as at 31 December 2023), mainly represent financial receivables arising from the instalment sale of energy efficiency improvement works carried out on residential condominium buildings.

19. Other non-current assets"

This item, which amounted to Euro 9,311 thousand at 31 December 2024 (Euro 5,081 thousand at 31 December 2023), mainly included guarantee deposits with third parties in accordance with contractual obligations and medium/long-term receivables from employees, relating to loans granted to employees and interest bearing. In particular, the main components of guarantee deposits are the cash guarantees presented to Terna for participation in capacity market auctions and the guarantees given to energy distributors outside the Group. The item is detailed in the following table:

Amounts in Euro thousands	2024	2023
OTHER NON-CURRENT ASSETS	9,311	5,081
Security deposits	7,363	3,262
Receivables from employees	1,022	1,186
Other assets	926	634

20. Inventories

At 31 December 2024, inventories amounted to Euro 41,030 thousand (Euro 18,444 thousand at 31 December 2023). The increase mainly relates to work-in-progress inventories following the inclusion within the consolidation scope of Sunnerg (Euro 23,963 thousand), which operates under contracts for the construction of renewable energy plants. The remaining balance refers to materials and spare parts for the operation and maintenance of production plants.

21. Current and non-current trade receivables

At 31 December 2024, current and non-current trade receivables amounted to Euro 228,336 thousand (Euro 330,961 thousand at 31 December 2023). The detail is shown in the following table:

Amounts in Euro thousands	2024	2023
CURRENT TRADE RECEIVABLES	226,417	241,252
Receivables from customers	229,078	243,725
Receivables from suppliers	1,935	3,993
Bad debts provision	(4,595)	(6,466)
NON-CURRENT TRADE RECEIVABLES	1,919	89,709
Receivables from customers	1,919	89,709
TOTAL TRADE RECEIVABLES	228,336	330,961

It should be noted that trade receivables include both receivables for invoices issued and invoices to be issued.

Current receivables from suppliers, amounting to Euro 1,935 thousand (Euro 3,993 thousand as at 31 December 2023), consist of receivables for credit notes to be received or already received, relating to adjustments of amounts invoiced by suppliers.

The provision for doubtful accounts amounts to Euro 4,595 thousand (Euro 6,466 thousand as at 31 December 2023) and has been determined using a model based on Expected Credit Losses (ECL), in accordance with IFRS 9. During 2024, the provision decreased, following a net release of approximately Euro 500 thousand, to adjust the provision to the estimated credit loss risk. In addition, write-offs of approximately Euro 1,170 thousand were recognised, mainly covering losses on the trade receivables portfolio relating to supplied customers. Non-current receivables from customers, amounting to Euro 1,919 thousand (Euro 89,709 thousand as at 31 December 2023), refer exclusively to invoices issued and to be issued for energy efficiency improvement works on buildings, which will be collected through the acquisition of tax credits accrued by the customers and usable over a 4- or 10-year period, depending on the type of incentive. Receivables are valued at amortised cost and thus deprived of the financial effect of collection times deferred beyond 12 months.

On these transactions CVA offered its customers the so-called "invoice discount", an arrangement through which the right to tax deduction for the customer is transformed into tax credit for the supplier, becoming payment currency. For this reason, these receivables will turn into credits to the Treasury recoverable in multi-year instalments (depending on the type of deduction that originated them), but only after obtaining the relevant tax compliance authorisation. The portion of receivables that will be settled by obtaining a tax credit, therefore, has a collection time of more than 12 months.

The share of non-current receivables corresponds to the share of receivables that, for the reasons mentioned above, will be collected beyond 12 months. The difference compared to 2023 is due to the reclassification to tax receivables of amounts accrued in the previous year and recognised by the tax authorities. The reduction in activities in this area has also led to a sharp decrease in the generation of new non-current receivables.

22. Receivables for income taxes

The breakdown of receivables for income taxes is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
RECEIVABLES FOR INCOME TAXES	5,842	17,825
IRES	3,367	12,855
IRAP	2,474	4,970

The item in question includes tax credits on direct taxes (IRES and IRAP) equal to Euro 5,842 thousand at 31 December 2024 (Euro 17,825 thousand at 31 December 2023). IRES credits mainly refer to surpluses of advance payments with respect to the quantification of current tax.

23. Current and non-current tax receivables

The breakdown of other tax receivables is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
TAX RECEIVABLES	74,641	42,606
Receivables from Tax Authorities for VAT	8,811	12,118
Receivables from Tax Authorities for excise	3,443	2,122
Other tax receivables	62,387	28,367
NON-CURRENT TAX RECEIVABLES	74,486	19,351
Other non-current receivables	74,486	19,351
TOTAL OTHER TAX RECEIVABLES	149,126	61,957

The item "receivables from Tax Authorities for VAT" for Euro 8,811 thousand at 31 December 2024 (Euro 12,118 thousand at 31 December 2023) and shows the VAT receivable balance from the Tax Authorities for the companies presenting a credit position at 31 December.

Receivables from the Treasury for electricity excise duties, amounting to Euro 3,443 thousand (Euro 2,122 thousand as at 31 December 2023), mainly include receivables for the Excise Tax on Electricity Consumption (IEC) and the related surcharges. These credits are determined based on the processing produced for the returns to be filed with reference to FY 2024.

The item "Other current tax receivables", amounting to Euro 62,387 thousand (Euro 28,367 thousand as at 31 December 2023), is mainly composed of:

- Receivables for excess payment of Euro 19,135 thousand deriving from the extraordinary contribution pursuant to Art. 37 of DL 21/2022 established as an "extraordinary solidarity levy" for the year 2022, to be paid by entities operating in the territory of the State, for the subsequent sale of goods, in the production of electricity. The Company was subject to the contribution before the changes introduced by Law 197/22 and has therefore paid the contribution in full. In light of the regulatory changes introduced at the end of the financial year, CVA exited the scope of application of the contribution as it did not achieve 75% of its turnover from energy sector activities in 2021. During the 2024 financial year, interest income amounting to Euro 384 thousand accrued.
- Energy efficiency tax credits in the amount of Euro 41,141 thousand: These are credits assigned by condominiums for energy efficiency works. CVA operates as a General Contractor using the work of third-party Companies to carry out energy efficiency works that entitle it to Superbonus or other building bonuses, such as bonus Façades and bonus renovation and those listed in Article 121 of Decree-Law No. 34/2020. These receivables, which can be used over 5 or 10 years, can be offset via F24 form for the payment of taxes. The portion due beyond 12 months amounts to Euro 74,474 and is recorded as a non-current asset.

Non-current tax receivables, amounting to Euro 74,486 thousand (Euro 19,351 thousand as of 31 December 2023), on the other hand, refer almost exclusively to the portion of receivables acquired by CVA as General Contractor in the field of energy efficiency and can be offset in a time horizon longer than 12 months.

24. Current and non-current derivatives

Derivative instruments (assets and liabilities) refer to the measurement at fair value of commodity derivatives (electricity) and interest rates at the reporting date. The following is a breakdown at the reporting date and the related comparative information:

<i>Amounts in Euro thousands</i>	2024	2023
DERIVATIVE ASSETS	11,429	105,334
Non-current derivative assets	170	1,556
Current derivative assets	11,260	103,779
<i>Amounts in Euro thousands</i>	2024	2023
DERIVATIVE LIABILITIES	32,772	32,544
Non-current derivative liabilities	1,084	1,088
Current derivative liabilities	31,688	31,456

It is noted that at 31 December 2024 and for the comparative period, there are no positions offset among assets and liabilities for derivative financial instruments.

Fair value derivatives by type of transactions and accounting methods

The following tables show the fair value of derivatives (assets and liabilities) at the reporting date, divided according to the type of accounting treatment applied (cash flow hedge or trading) and the derivative instrument used:

Derivative assets

<i>Amounts in Euro thousands</i>		
	Fair value 31/12/2024	Fair value 31/12/2024
Cash flow hedge derivatives		
Commodity derivatives		
Swaps/Forwards	-	-
Futures	1,710	24,134
Options	-	-
Interest derivatives		
Interest rate swaps	3,635	5
Asset Linked Inflation Swap		
Total cash flow hedge derivatives	5,345	29,005
Hedging derivatives not in Hedge Accounts		
Commodity derivatives		
Swaps/Forwards	-	56,578
Futures	-	955
Options	-	-
Interest derivatives		
Interest rate swaps	222	1
Asset Linked Inflation Swap		
Total hedging derivatives not in Hedge Accounts	222	58,158
Trading derivatives		
Commodity derivatives		
Swaps/Forwards	2,259	10,849
Futures	3,604	7,309

Options	-	-
	Fair value 31/12/2024	Fair value 31/12/2024
Interest derivatives		
Interest rate swaps	-	-
Asset Linked Inflation Swap	-	-
Total trading derivatives	5,863	18,157
TOTAL DERIVATIVE ASSETS	11,429	105,321

Derivative liabilities

Amounts in Euro thousands

	Fair value 31/12/2024	Fair value 31/12/2024
Cash flow hedge derivatives		
Commodity derivatives		
Swaps/Forwards	-	-
Futures	14,594	7,915
Options	-	-
Interest derivatives		
Interest rate swaps	182	6,555
Asset Linked Inflation Swap		
Total cash flow hedge derivatives	14,776	14,470
Hedging derivatives not in Hedge Accounts		
Commodity derivatives		
Swaps/Forwards	-	-
Futures	-	4,771
Options	-	-
Interest derivatives		
Interest rate swaps		
Asset Linked Inflation Swap		
Total hedging derivatives not in Hedge Accounts		4,771
	Fair value 31/12/2024	Fair value 31/12/2024
Trading derivatives		
Commodity derivatives		
Swaps/Forwards	8,202	5,214
Futures	2,402	8,086

Options	-	-
Interest derivatives		
Interest rate swaps	7,392	
Asset Linked Inflation Swap		
Total trading derivatives	17,996	13,301
TOTAL DERIVATIVE LIABILITIES	32,772	32,542

Hedge accounting

Derivative contracts are initially recognised at fair value, on the trading date of the contract, and subsequently measured at their fair value. The Group defined its model for the application of hedge accounting and provided the operating tools necessary for formal documentation of the hedging relationships, the verification of the effectiveness and the accounting measurement of the hedging effects, as specifically requested by IFRS 9.

The hedge accounting model requires that derivatives traded by the Group be classified as cash flow hedges. Specifically, the hedging instruments used (commodity futures, interest rate swaps) are designated for accounting purposes as follows:

- to hedge expected future transactions involving the procurement of energy on the market or sales to its customer portfolio that are considered highly probable. The objective of the designated hedging relationships is, therefore, to fix, in whole or in part, through the commodity future positions traded, the economic value of the future flows of electricity purchased and/or sold by the Group;
- to hedge interest flows paid on underlying loans payable. The objective that the Group intends to pursue through the designated hedging transactions is therefore to mitigate its risk exposure deriving from the volatility of the market rates by fixing or limiting the onerousness of its variable rate loans or setting the rate of highly probable future loans;

As a result of the cash flow hedge accounting, the economic effects generated by the fair value measurement of hedging derivatives are recognised in specific equity reserves (and represented in the Statement of Comprehensive Income) and then transferred to the Income Statement in the following financial years, i.e. concurrently with the recognition of the underlying transactions. Specifically, for commodity derivatives, two separate equity reserves are replenished that respectively accommodate the spot effects of hedging separately from the forward transaction cost of hedging. Also with reference to commodity hedges, in consideration of the hedging strategies realised dynamically by the Group (aimed at the economic balancing of its energy purchases and sales portfolio) and the operating functioning of future markets, derivatives designated in hedge accounting are normally settled before the relevant contractual expiry date (i.e. the related hedged purchase/sale flows), with the consequent interruption of the hedging relationships designated for hedge accounting purposes; as specifically provided for by IFRS 9, changes in the fair value of hedging derivatives recognised at the date of termination of hedging relationships remain recognised in equity until the date of recognition of the economic effects of the underlying purchases/sales, when they are transferred to the Income Statement. This is valid unless said amount is a loss and the Company expects that all or part of said loss cannot be recovered in one or more future years. In such a case, the amount that is not expected to be recovered has been reclassified to the income statement as a reclassification adjustment.

For all of the above, it therefore follows that, at the end of the financial year, the hedging effects recognised in the cash flow hedge reserve and cost of hedging reserve are generated both by transactions completed in the year and only by positions outstanding at the reporting date and recognised in the balance sheet at fair value.

Effects of derivatives accounted in cash flow hedge

The following table shows the impact on the shareholders' equity of the Group of the cash flow hedge reserve and hedging costs recognised with reference to hedging derivatives accounted for in hedge accounting at 31 December 2024, gross of the tax effect:

	Book value
Closing balances at 31.12.2023	41,451
Changes in fair value with impact in equity	(17,695)
Effects released as adjustments to operating revenues	(17,136)
Effects released as adjustments to operating costs	8,181
Effects released as adjustments to financial charges	(5,759)
Effects due to changes in consolidation scope	1,420
Closing balances at 31.12.2024	10,462

The same reserves, net of tax effects, amount to Euro 8,723 thousand, of which Euro 58,191 thousand attributable to the cash flow hedge reserve and Euro -69,234 thousand to the cost of hedging reserve.

Out of the total Euro 8,723 thousand, Euro 5,918 thousand relate to commodity derivatives, while the remaining portion relates to interest rate derivatives used to hedge the interest rate risk on borrowings.

Sensitivity analysis of commodity price and interest and inflation rate risk

As explained in the following paragraphs, the Group is exposed to the risk of fluctuations in Commodity prices - with exclusive reference to the price of electricity - and to the risk of fluctuating interest rates the volatility of which could have negative effects on the cash flows and on the income prospects of the Group.

The following is a sensitivity analysis to reasonably possible changes in electricity prices and interest and inflation rates at the reference date, keeping all the other variables underlying the valuation model constant. In particular, for the present analysis, the range of assumed variations on the electricity price curve is $\pm 10\%$, on the interest rate curve ± 50 bps (basis points).

Sensitivity analysis of commodity price risk and interest rate at 31 December 2024.

Interest rate risk sensitivity analysis		As at 31 December 2024			
		Impact on Income Statement (before taxes)		Impact on Shareholders' Equity (before taxes)	
Description	Change in the rate	Increase	Decrease	Increase	Decrease
		Changes in fair value of rate derivatives designated in hedge accounting	± 50 bps	176	-327
Changes in fair value of rate derivatives not designated in hedge accounting	± 50 bps	42	-51		

Commodity price risk sensitivity analysis		As at 31 December 2024			
Description	Change in the rate	Impact on Income Statement (before taxes)		Impact on Shareholders' Equity (before taxes)	
		Increase	Decrease	Increase	Decrease
Changes in fair value of commodity derivatives designated in Hedge Accounting	±10%				
Changes in fair value of commodity derivatives designated in Hedge Accounting	±10%				
Changes in fair value of trading commodity derivatives	±10%	89,000	-89,000		

Market risks on Commodity prices

For more information regarding market risks on commodity prices, reference is made to the Report on Operations.

Interest rate risk

For more information regarding market risks on interest rates, reference is made to the Report on Operations.

Inflation rate risk

For more information regarding market risks on inflation rates, reference is made to the Report on Operations.

25. Other current financial assets

The breakdown of other current financial assets is shown in the following table:

Amounts in Euro thousands	2024	2023
OTHER CURRENT FINANCIAL ASSETS	18,561	10,889
Portfolio of securities/funds	10,000	10,002
Insurance policies	7,555	-
Loans to associates	724	707
Other financial assets	282	180

The securities/funds portfolio includes short-term deposits amounting to Euro 10,000 thousand (Euro 10,002 thousand as at 31 December 2023) held by the Parent Company. Insurance policies, amounting to Euro 7,555 thousand as at 31 December 2024 (not present in the previous year), refer to the fair value of liquidity investments made through the subscription of insurance policies. For further details, please refer to Note 18. Financial receivables from associated companies amounted to Euro 724 thousand (Euro 707 thousand at 31 December 2023) and refer to the short-term portion relating to the loan receivable granted to TELCHA. "Other financial assets", amounting to Euro 282 thousand as at 31 December 2024 (Euro 180 thousand), mainly refer to receivables due from financial institutions by the newly acquired companies.

26. Other current assets

At 31 December 2024, the item "other current assets" amounted to Euro 114,382 thousand (Euro 77,325 thousand at 31 December 2023) and is detailed in the following table:

Amounts in Euro thousands	2024	2023
OTHER CURRENT ASSETS	114,382	77,325
Security deposits	65,529	39,898
Deferred assets	21,705	9,513
Receivables from the G.S.E. for incentives	7,935	8,148
Receivables from C.S.E.A.	8,765	1,004
Other current assets	10,448	18,763

Security deposits

The item "security deposits", amounting to Euro 65,529 thousand (Euro 39,898 thousand as at 31 December 2023), mainly includes the nominal value of security deposits held by CVA ENERGIE, equal to Euro 62,742 thousand as at 31 December 2024 (Euro 36,340 thousand as at 31 December 2023), which include:

- receivables of Euro 39,086 thousand as at 31 December 2024 (Euro 14,376 thousand as at 31 December 2023) for security deposits held with the Clearing Bank for transactions on EEX (European Energy Exchange), the main organised financial market for energy in Europe, as well as on EPEX Spot (European Power Exchange) which covers the physical trading of electricity.
- receivables amounting to Euro 15,000 thousand at 31 December 2024 for non-interest-bearing security deposits paid to G.M.E. during the year
- receivables of Euro 8,655 thousand as at 31 December 2024 (Euro 6,964 thousand as at 31 December 2023), referring to a security deposit opened with the Joint Allocation Office, the entity managing cross-border electricity transmission rights for Central Western Europe and the northern borders of Italy and Switzerland, allocated to operators through auction mechanisms. The rules for participation in auctions for transport capacity at the border, require the deposit of an amount to guarantee transactions carried out on a current account in the name of the Joint Allocation Office (the "Business Account"). The amounts for the transport capacity purchased are also debited on this account and, therefore, the guarantee is subject to interim changes for its constant adjustment. The amount of the guarantee is defined according to the type of auction being participated in and the purchase volumes.

The increase recorded in the amounts provided as collateral for derivative transactions and for the purchase of transmission capacity is closely linked to energy price trends on the markets, which have influenced the value of the hedging portfolio in place and, consequently, the value of the guarantees provided.

Deferred assets

Prepaid expenses, amounting to Euro 21,705 thousand (Euro 9,513 thousand as at 31 December 2023), mainly consist of prepaid expenses relating to water concession surcharges, as well as various other prepaid expenses including insurance premiums, lease payments and multi-year charges payable by CVA and the SOLAR X GROUP, as provided for by the applicable regulations. The item also includes deferred assets relating to insurance premiums, long-term charges and other miscellaneous deferrals. The increase of Euro 12,193 thousand is essentially due to the expansion of the consolidation scope and to prepaid expenses recorded by the Solar X Group on the large lease fees of its plants.

Receivables from the GSE for incentives

The item "receivables from the GSE for incentives" includes the receivables for grants related to incentives recognised by the GSE, but not yet disbursed equal to Euro 7,935 thousand at 31 December 2024 (Euro 8,148 thousand at 31 December 2023).

Receivables from C.S.E.A.

The item "Receivables from CSEA", amounting to Euro 8,765 thousand (Euro 1,004 thousand as at 31 December 2023), mainly consists of:

- the receivable pertaining to DEVAL, which includes the estimate of the amount deriving from the application of the equalisation mechanisms for 2024, totalling Euro 12,715 thousand, net of advances collected during the year relating to 2024 amounting to Euro 4,593 thousand, and gross of the liability towards the extraordinary events fund amounting to Euro 205 thousand. In 2024, general equalisation amounts relating to 2023 and prior years were also collected, for a total of Euro 643 thousand, generating a non-recurring income of Euro 308 thousand;
- receivable for service continuity awards, which includes the estimated bonus for 2024 amounting to Euro 592 thousand;
- receivable for Energy Efficiency Certificates amounting to Euro 82 thousand (Euro 87 thousand as at 31 December 2023), representing the value of certificates acquired during 2024, net of collections.

Other current assets

Other current assets amount to Euro 10,448 thousand as at 31 December 2024 (Euro 18,763 thousand as at 31 December 2023) and mainly refer to:

- receivables arising from reimbursements made for the excise duty surcharge, following unfavourable rulings against CVA Energie in civil proceedings initiated after the surcharge was declared incompatible with European law (as extensively described above). These receivables have a value of Euro 11,275 thousand and have been written down by Euro 5,142 thousand consistently with the risk coefficient estimated on all disputes. These amounts will become due in the event of a victory in the subsequent levels of court or will be claimed for reimbursement from the Customs Agency in the event of a final loss in civil court.
- advances to suppliers and third parties Euro 2,690 thousand at 31 December 2024 (Euro 2,980 thousand at 31 December 2023);
- Receivables from employees and social security institutions amounting to Euro 110 thousand (Euro 191 thousand as at 31 December 2023).

27. Cash and cash equivalents

The item mainly includes the balance receivable of current bank accounts at the reporting date, equal to Euro 346,941 thousand at 31 December 2024 (Euro 378,624 thousand at 31 December 2023); balances are recorded at nominal value and also include interest accrued, but not yet credited at year-end. They are not burdened by constraints of any kind that limit their availability.

<i>Amounts in Euro thousands</i>	2024	2023
CASH AND CASH EQUIVALENTS	346,941	378,624
Bank accounts	346,869	378,549
Cash and cash equivalents	71	76

28. Shareholders' equity

The breakdown of shareholders' equity is as follows:

Amounts in Euro thousands	2024	2023
SHAREHOLDERS' EQUITY	1,205,145	1,126,022
Share capital	395,000	395,000
Reserves and profits (losses) carried forward	560,279	549,278
Net result of the year	213,240	157,488
Minorities Shareholders' Equity	36,626	24,256

Share capital

The share capital amounted to Euro 395,000 thousand, divided into 395,000,000 shares with a nominal value of Euro 1 each. There were no changes from the previous year.

Reserves and profits (losses) carried forward

The item "Reserves and profits (losses) carried forward" is as follows:

Amounts in Euro thousands	2024	2023
RESERVES AND PROFITS (LOSSES) CARRIED FORWARD	560,279	549,278
Legal reserve	79,000	63,605
Cash flow hedge reserve	58,191	153,655
Cost of hedging reserve	(49,918)	(122,733)
IAS 19 reserves - Employee Benefits	(1,272)	(1,382)
Realignment reserve pursuant to Article 110 DL 104/2020	186,649	186,649
Other reserves and profits (losses) carried forward	287,628	269,483

The changes recorded have various origins:

- 2023 retained earnings or reserves (with impact on the legal reserve and other reserves and retained earnings);
- changes in the shareholders' equity of certain newly acquired subsidiaries in the period between the date of acquisition and the end of the financial year due to changes in cash flow hedge reserves, OCI reserves and certain minor capital transactions (with an impact on other reserves and retained earnings);
- the change in the fair value of derivative transactions designated as hedges with effects on the cash flow hedge reserve and the cost of hedging reserve changed in line with developments;
- Changes in liabilities to employees measured in accordance with IAS 19.
- The acquisition of the remaining 40% of Renergetica S.p.A.;
- The acquisition of an additional 19% of Eos Monte Rughe S.r.l.;
- The recognition of the obligation to purchase the remaining 40% of Sunnerg Group S.r.l., arising from the combination of put and call options signed at the time of the acquisition of 60% of the share capital;
- The sale of the equity investment in Zaon S.r.l.

Legal reserve

The legal reserve amounted to Euro 79,000 thousand at 31 December 2024 (Euro 63,605 thousand at 31 December 2023). The increase recorded corresponds to the allocation of profits as resolved by the Shareholders' Meeting, in compliance with Article 2430 of the Italian Civil Code. The reserve has reached one fifth of the share capital.

Cash flow hedge reserve (OCI)

This reserve, with a value of Euro 58,191 thousand (Euro 153,655 thousand at 31 December 2023), includes the effective portion of the change in fair value of hedging derivatives on changes in energy prices and interest rates classified as cash flow hedges for accounting purposes. The reserve is determined net of the related tax effects and is reported in other comprehensive income as a component reclassifiable to profit or loss in subsequent periods.

Cost of Hedging reserve

This reserve includes the portion of the change in fair value attributable to the costs of hedging derivatives on the change in the price of energy designated of cash flow hedges. At 31 December 2024, it has a negative value of Euro 49,918 thousand (Euro 122,733 thousand at 31 December 2023). The reserve is expressed net of the tax effect. Its movement was also reported in other comprehensive income components reclassifiable to profit or loss in subsequent years.

Actuarial reserve IAS 19 (OCI)

The item includes actuarial losses relating to defined benefit plans for employees, negative for Euro 1,272 thousand (Euro 1,382 thousand at 31 December 2023). The reserve is determined net of the related tax effects and is reported in other comprehensive income as a component not reclassifiable to profit or loss in subsequent periods.

Reserve for realignment of tax value of goodwill pursuant to article 110 DL 104/2020

Following the alignment of statutory and tax values of goodwill carried out in 2021, pursuant to Article 110 of Decree Law 104/2020, a specific reserve was recognised, amounting to Euro 186,649 thousand, corresponding to the realigned value (net of substitute tax). This reserve is subject to a specific tax suspension constraint for fiscal purposes (as provided for by paragraph 8 of the aforementioned provision). The realignment operation was completed in CVA, CVA EOS and DEVAL.

Other reserves

The item mainly includes:

- accumulated retained earnings of Euro 189,609 thousand (Euro 171,562 as at 31 December 2023). This consists of the Group's undistributed profits and consolidation differences allocated to equity. The change in these reserves is due to the accumulation of retained earnings as well as the effects generated by the acquisition and purchase obligations of minority interests in non-wholly owned subsidiaries. In addition, consolidation adjustments reflect the changes in equity of some newly acquired subsidiaries occurring between the acquisition date and year-end, resulting from changes in Cash Flow Hedge reserves, OCI reserves, and certain minor capital transactions;
- The extraordinary reserve, amounting to Euro 87,619 thousand (unchanged compared to 31 December 2023), includes the allocation of retained earnings from previous years, net of extraordinary distributions resolved in favour of the parent company Finaosta;
- the First Time Adoption ("FTA") reserve of Euro 9,824 thousand (unchanged on last year), which represents the balancing entry in shareholders' equity deriving from the first application of the IAS/IFRS accounting standards on the transition date of 1 January 2014;
- the merger reserve for Euro 476 thousand and equal to the net merger capital resulting from the 2001 CVA merger operation.

Group net result

The Group net result was positive for Euro 213,240 thousand in 2024 (Euro 157,488 thousand at 31 December 2023). This item includes the profit pertaining to the Group recognised in the year under review.

Earnings per share

For the purposes of calculating earnings per share, it is noted that during the three-year period no changes occurred in the number of ordinary shares.

Amounts in Euro thousands	2024	2023
Period net result	213,240	157,834
Number of shares at 31 December	395,000,000	395,000,000
Number of shares adjusted at 31 December	395,000,000	395,000,000
Earnings per share (Euro)	0.54	0.40
Diluted earnings per share (Euro)	0.54	0.40

29. Employee benefits

Employee benefits amounted to Euro 8,698 thousand at 31 December 2024 (Euro 7,269 thousand at 31 December 2023).

Amounts in Euro thousands	Employee severance indemnity (TFR)	Loyalty bonus	Energy discount	Employee bonuses	Other employee benefits	Total
Current value of the obligation at 31/12/2023	4,431	1,338	517	551	432	7,269
Current cost	379	72	1	1,989	11	2,451
Financial expenses	138	42	16		12	208
Increases/(decreases) for acquisitions and transfers	116					116
Benefits provided	(474)	(47)	(35)	(549)	(61)	(1,167)
Revaluations	(141)	(64)	(9)		(9)	(224)
Other changes	45					45
Current value of the obligation at 31/12/2024	4,493	1,340	489	1,991	385	8,698
of which						
current portion	431	59	35	710	72	1,307
non-current portion	4,062	1,282	454	1,281	313	7,392

The following components mainly fall into the category of defined benefit plans:

- severance indemnity (TFR) recognised in compliance with the provisions of current legislation. The value of this liability amounted to Euro 4,493 thousand at 31 December 2024 (Euro 4,431 thousand at 31 December 2023). The increase recorded in the year due to the extension of the scope of consolidation is noted;
- the company loyalty bonus to be paid to employees, determined on the basis of the achievement of a certain length of service, equal to Euro 1,340 thousand at 31 December 2024 (Euro 1,338 thousand at 31 December 2023);
- the energy discount fund allocated against the agreement entered into on 6 May 2019 to overcome electricity tariff concessions for former employees and which provides former employees who have so requested with a payment of an annual lump sum of Euro 360 fixed until the age of sixty-five. The liability accrued amounted to Euro 489 thousand (Euro 517 thousand at 31 December 2023).

- The employee bonus provision includes the amounts set aside for incentives, including long-term incentives, to be awarded to department heads and executives upon achievement of specific targets, amounting to Euro 1,991 thousand (Euro 551 thousand as at 31 December 2023). The increase recorded is related to the launch of a long-term incentive plan for the Group's senior management;
- other employee benefits totalled Euro 385 thousand at 31 December 2024 (Euro 432 thousand at 31 December 2023) and are represented by: (i) additional allowance for FOPEN contributions recognised to employees who have chosen this option as part of the agreement entered into in May 2019 to overcome the concessions on energy tariffs and who are entitled to the payment of a fixed amount to the supplementary pension fund or in coupons up to the age of 65 regardless of the age at which they will cease service; (ii) additional monthly payments due to eligible employees based on the requirements set forth in the CCNL (the "IMA") by the July 2001 agreement.

For the purpose of defining the amount of the current value of the obligations, an estimate was made of the future provisions which, on the basis of development assumptions related to both the numerical development of the community and the salary development, will be provided to each employee in the case of continuation of work, retirement, death, resignation or request for anticipation.

The only exception is the provision for employee bonuses, which, in view of its nature as a short-term benefit (bonuses are paid in the following year), has not been discounted. Since these premiums have a prevalent valuation component in their determination, they have been recorded under provisions and not under payables.

For the long-term incentive plan, which has a predetermined medium-term horizon, a discount rate consistent with the plan's maturity was applied.

The main economic and financial assumptions adopted for the calculations are as follows:

<i>Euro thousands</i>	2024	2023
Employee termination benefits discount rate – ENERGY DISCOUNT – LOYALTY AWARD - OTHER	3.40%	3.20%
Employee termination benefits discount rate - LONG TERM INCENTIVE	2.70%	N.A.
Annual inflation rate	1.70%	2.00%
<i>Rate of increase in labour costs</i>		
- age 40 and under	3.70%	4.00%
- age over 40 but under 55	2.70%	3.00%
- age over 55	1.70%	2.00%

The decrease in the real discount rate led to a general increase in liabilities with actuarial losses being recognised.

In compliance with the provisions of IAS 19, a sensitivity analysis is provided for each significant actuarial assumption at the end of the year, showing the effects that there would be as a result of changes in actuarial assumptions reasonably possible at said date, in absolute terms.

	Change in liabilities		One year cost	
	when the rate changes		when the rate changes	
	-0.50%		0.50%	
Employee severance indemnity (TFR)	218	484	(202)	420
Long Term Incentive	53	1,485	(52)	1,543
Loyalty bonus	76	75	(71)	65
Other employee benefits	24	10	(22)	10

30. Provisions for risks and charges

At 31 December 2024, provisions for risks and charges amounted to Euro 27,090 thousand (Euro 23,527 thousand at 31 December 2023).

The change in provisions recorded during the year is presented in the following table:

<i>Euro thousands</i>	Provision for disputes	Provisions for charges	Provision for excise duty dispute self-producer	Provision for additional excise duty dispute	Book value
Value at 31.12.2023	1,149	12,520	614	9,244	23,527
(Uses)	(15)	(239)	-	(51)	(305)
(Releases)	(24)	(7)	(586)	(5,323)	(5,940)
Allocations	-	2,732	-	-	2,732
Other changes	22	7,055	-	-	7,077
Value at 31.12.2024	1,132	22,061	27	3,870	27,090
of which					
current portion	27	1,082	-	-	1,109
non-current portion	1,105	20,979	27	3,870	25,981

Provisions for disputes: provisions for disputes amounted to Euro 1,132 thousand (Euro 1,149 thousand at 31 December 2023). The number of existing ones and their changes are summarised in the following table:

<i>PROVISION FOR DISPUTES</i>	31/12/2023	Allocations	Uses	Releases	Other changes	31/12/2024
Sundry excise duty dispute	409	-	-	-	-	409
Station dispute provision	716	-	(15)	-	-	701
Other provisions for disputes	24	-	-	(24)	22	22
TOTAL	1,149	-	(15)	(24)	22	1,132

Excise disputes: the provision includes the estimated charges for various disputes related to excise duties, the most significant of which concerns the dispute with the Customs Office of Piacenza following the non-recognition of offsetting operations carried out by CVA ENERGIE. The dispute, having a value of Euro 409 thousand, has not evolved in the last year and is still awaiting the ruling of the First Instance Tax Commission. In 2018, the latter had ordered a stay of judgment pending the Supreme Court's ruling with reference to another litigation initiated by CVA ENERGIE on the same matter (and concluded in its favour with ruling 27290/19).

Provision for distribution cabin disputes: refers to the provision recognised by DEVAL to cover the risk that the entities granting spaces for distribution cabins, upon renewal of agreements issued prior to 2002, may request back payments.

Provision for charges: provisions for charges amounted to Euro 22,061 thousand (Euro 12,520 thousand at 31 December 2023). The number of existing ones and their changes are summarised in the following table:

	31/12/2023	Allocations	Uses	Releases	Other changes	31/12/2024
Construction of drainage trench	65	-	-	-		65
Fees for exceeding nominal powers concessions	25	329				354
Aosta lighting plant remediation	105					105
Province of Foggia compensation indemnities	1,177	138				1,315
Securing of property and land	241		(17)			225
Commercial risk provision					128	128
Plant dismantling/ restoration plant areas	10,544	503			6,924	17,971
Maintenance staff bonuses	200	80	(97)	(7)		177
Third-party costs for the purchase of GOs to be cancelled	-	422				422
Insurance deductibles provision	45	324	(37)			332
Warranty works risks/ charges provision	79	65	(79)			65
LTI bonuses for BoD		858				858
Board members' indemnities		13	-	-	2	15
Zincometal maintenance	20					20
Restoration of leased company assets	20		(10)			10
TOTAL	12,520	2,732	(239)	(7)	7,055	22,061

The provision refers to various risks identified by the Group as probable.

The following is a list of significant contingent liabilities recognised in the financial statements:

Plant dismantling provision: represents the cumulative liabilities for the decommissioning of wind and photovoltaic plants at the end of their useful life, amounting to Euro 17,971 thousand as at year-end (Euro 10,544 thousand as at 31 December 2023). The revision of the liability estimate, partly due to changes in the discounting assumptions and partly to a reassessment of the expected dismantling costs, resulted in a change in the provision of Euro 4,267 thousand. This variation impacted both the value of the related assets and equity, for the portion of the provision relating to previous years. The current year's discounting effect generated financial charges of Euro 503 thousand. An amount of Euro 2,657 thousand refers to provisions acquired through business combinations during the year.

Provision for compensation indemnities potentially due to the Municipality of Foggia: with reference to the Ponte Albanito plant, in the absence of an agreement regulating the economic relations with the Municipality of Foggia with reference to potential environmental compensation indemnities, an amount equal to 3% of the revenues for the sale of energy and related incentives (Euro 138 thousand) was set aside also in 2024. This percentage is a conservative estimate. The provision has a total balance of Euro 1,315 thousand.

Maintenance technicians bonus provision: this is an allocation to cover variable maintenance fees on wind and photovoltaic plants.

Property and land safety fund: in light of the increasingly frequent natural disasters, in 2020 it was decided to manage all risk situations arising from instability of land and property adjacent to regional roads. The Company's commitment to complete the activity had been measured at Euro 377 thousand, broken down as follows:

- professional assignment to carry out the activity of defining the potential risks of the properties along the entire route of Regional Road No. 44 of Valle d'Aosta for Euro 225 thousand;
- safety work related to potential risks in the amount of Euro 152 thousand.

The provision had a residual balance at the beginning of the year of Euro 241 thousand. During the year, part of the provision was used for an amount of Euro 17 thousand. The remaining portion of the provision has not changed because the Company's commitment is still current.

Provision for LTI bonuses: the provision, amounting to Euro 858 thousand, was recognised in 2024 following the approval of an incentive plan for certain key members of the Boards of Directors of subsidiaries.

Provision for the purchase of GOs to be cancelled: the provision, amounting to Euro 422 thousand, was recognised in 2024 to cover the need to procure Guarantees of Origin (GOs) to cover the consumption of supplied customers.

Excise dispute provision: the provision amounts to Euro 27 thousand and covers the risk of disbursement limited to legal expenses only.

This refers to the provision set aside for the dispute with the Customs Agency regarding the non-recognition of the excise exemption for self-produced electricity for the years 2008 to 2013. The provision was previously recorded by Idroenergia S.c.r.l., a company merged in 2017.

During the year, the provision decreased by Euro 586 thousand following the statute of limitations on contested excise amounts for which no payment notices were ever received. For further details on the status of the dispute, please refer to the Report on Operations.

Additional excise disputes provision: the provision was established in 2019 for an amount of Euro 10,236 thousand.

As extensively described in the Management Report, following ruling No. 15198 of 4 June 2019 by the Italian Supreme Court of Cassation, which declared the incompatibility of the legal provisions establishing the excise duty surcharges on electricity with Directive 2008/118/EC, the Company faced a probable risk of having to refund to customers the surcharges collected for the years 2010 to 2012 (year of their abolition).

The balance of the provision at year-end amounts to Euro 3,870 thousand (Euro 9,244 thousand in 2023). The movements during the year are as follows:

- Utilisation of Euro 51 thousand to cover legal expenses incurred during the year in connection with the ongoing disputes;
- Reduction in the amount of Euro 5,323 thousand to adjust the provision to new estimates of the risk of disbursement for the repayment of alleged undue payments to customers and for the legal expenses that will be incurred to cope with the large number of disputes first in civil court and then in tax court. The release of the provision naturally offsets the impairment of receivables previously described: the potential outflows initially recognised by the Company as provisions for risks are extinguished upon reimbursement to customers, and the risk of outflow is replaced by a risk of non-collection of the corresponding receivables.

31. Current and non-current financial liabilities

Non-current financial liabilities

Non-current financial liabilities amounted to Euro 509,172 thousand at 31 December 2024 (Euro 856,232 thousand at 31 December 2023), and consisted mainly of the long-term portion of bank loans held by the Group (valued at amortised cost); the long-term share of bonds; liabilities entered in respect of rights of use in accordance with IFRS 16 (as described in note 14); the financial liabilities relating to the acquisition of surface rights over the land on which the Valenza photovoltaic plant and the Tarifa wind farm are located; and the liabilities arising from the acquisition of minority interests in subsidiaries.

<i>Amounts in Euro thousands</i>	2024	2023
NON-CURRENT FINANCIAL LIABILITIES	509,172	856,232
Bank loans	351,680	729,769
Bonds	82,880	84,711
Financial liabilities for leasing	18,614	15,511
Other financial payables	55,999	26,241

The change recorded on bank borrowings mainly relates to the reclassification of amounts due within 12 months to current financial liabilities.

Other financial liabilities mainly include liabilities relating to the acquisition of minority interests in subsidiaries, which showed a net increase due on the one hand to the reduction following the completion in 2024 of the public tender offer on Renergetica, and on the other hand to the increase resulting from the subscription of combined put and call options on the 40% minority interest in Sunnerg Group S.r.l.. In addition, there was an increase due to the financial effects on liabilities for the acquisition of minority interests in RTS S.r.l., Nuova Energia S.r.l., and RS Service S.r.l.

Current financial liabilities

Current financial liabilities, amounting to Euro 432,118 thousand at 31 December 2024 (Euro 100,890 thousand at 31 December 2023), have a similar composition to non-current liabilities, accepting the short-term portion of the same items.

<i>Amounts in Euro thousands</i>	2024	2023
CURRENT FINANCIAL LIABILITIES	432,118	100,890
Bank loans	417,326	79,312
Financial liabilities for leasing	3,484	3,137
Payables for factoring	2,191	1,784
Bonds	2,069	2,522
Payables to related parties	1,917	5,099
Payables for share price adjustment	1,718	4,267
Other financial payables	3,412	4,759

Current financial liabilities include the short-term portion of the Group's bank borrowings, measured at amortised cost, as well as short-term borrowings, bond loans (also measured at amortised cost), and lease liabilities recognised in accordance with IFRS 16. In addition, they include deferred income on transactions with related parties and liabilities relating to price adjustments on share acquisitions. Other financial liabilities mainly include advances received on the sale of corporate vehicles.

Financial liabilities: other details

Changes in bond issues during the year are shown below:

Group Companies	Counterparty	31/12//2023	Monetary net change	Non-monetary net change	31/12/2024
CVA S.p.A. a s.u.	Bond 2021/2028	49,740	-	65	49,805
CVA S.p.A. a s.u.	Bond 2023/2038	29,115	-	37	29,152
Renergetica S.p.A.	Exacto	3,987	(2,000)	12	1,999
Renergetica S.p.A.	Anthilia	4,391	(400)	2	3,993
TOTAL		87,233	(2,400)	116	84,949

Changes during the year in loans payable are shown below:

Counterparty	Counterparty	31-Dec-23	Monetary net change	Non-monetary net change	31-Dec-24
CVA S.p.A. a s.u.	Intesa Sanpaolo	-			-
CVA S.p.A. a s.u.	BNL	69,461	-	258	69,719
CVA S.p.A. a s.u.	Mediobanca	30,007	-	-7	30,000
CVA S.p.A. a s.u.	EIB	33,118	-11,000	-59	22,059
CVA S.p.A. a s.u.	CDP 2023/31	-228	-	26	-202
CVA S.p.A. a s.u.	Intesa Sanpaolo 2022/25	75,651	-	64	75,715
CVA S.p.A. a s.u.	Mediobanca 2022/25	100,199	-	96	100,295
CVA S.p.A. a s.u.	Deutsche Bank 2022/25	25,208	-	13	25,221
CVA S.p.A. a s.u.	BNL finanz. 2022/25	50,810	-	-65	50,745
CVA S.p.A. a s.u.	Unicredit finanz. 2022/25	49,961	-	28	49,989
CVA S.p.A. a s.u.	BPM finanz. 2023/26	29,821	-	69	29,890
CVA S.p.A. a s.u.	Bper 2023/26	34,958	-	23	34,981
CVA S.p.A. a s.u.	SSD 2023/28	196,721	-	897	197,618
CVA S.p.A. a s.u.	SSD 2023/30	49,282	-	101	49,383
CVA S.p.A. a s.u.	Sella RCF	10,022	-10,000	-7	15
CVA S.p.A. a s.u.	Crédit Agricole RCF	50,230	-50,000	-184	46
CVA S.p.A. a s.u.	BNL RCF	21	-	-1	20
CVA S.p.A. a s.u.	Intesa Sanpaolo RCF	39	-	-	39
CVA S.p.A. a s.u.	Unicredit RCF	9	-	1	10
CVA S.p.A. a s.u.	Deutsche B RCF	17	-	16	33
CVA S.p.A. a s.u.	BPM RCF	1	-	-1	0
CVA S.p.A. a s.u.	BPER RCF	32	-	()	32
RS Service S.r.l.	Intesa San Paolo	494	-217		277
Renergetica S.p.A.	Intesa San Paolo (20K)	4	-4		0
Renergetica S.p.A.	Intesa San Paolo (400K)	115	-84	0	31
Renergetica S.p.A.	Intesa San Paolo (720K)	45	-45		0
Renergetica S.p.A.	Banca BPM (2 Mln)	1,006	-502	2	506
Nuova Energia S.r.l.	Intesa San Paolo (370K)	244	-36		208
Nuova Energia S.r.l.	Intesa San Paolo (160K)	13	-13		0
Nuova Energia S.r.l.	Intesa San Paolo (1.4 Mln)	882	-360	1	523
Nuova Energia S.r.l.	Intesa San Paolo (800K)	717	-87	1	631
Nuova Energia S.r.l.	BIVER (500K)	197	-100	1	98
Nuova Energia S.r.l.	PSA	3	-2		1
Nuova Energia S.r.l.	PSA	3	-2		1
Nuova Energia S.r.l.	PSA	3	-2		1
Nuova Energia S.r.l.	PSA	3	-2		1
Nuova Energia S.r.l.	PSA	3	-2		1
Nuova Energia S.r.l.	PSA	3	-2		1
Nuova Energia S.r.l.	PSA	3	-2		1
Sunnerg Group	UBI Mutuo		39		39
Eolica Cancellara	INTESA SANPAOLO		31,078		31,078
TOTAL		809,078	-41,345	1,273	769,006

With reference to the maturity analysis required by the standard IFRS 7 for financial liabilities, the table below shows the analysis by expiry of expected cash flows (non-discounted values) from loans recognised in the financial statements (distinguishing between interest and capital flows).

Maturity analysis at 31 December 2024

Amounts in Euro thousands		2024				
		1 year	1-2 years	2-5 years	> 5 years	Total
Bank loans and bonds	Capital flows	420,625	80,054	261,989	92,586	855,254
	Interest flows	23,724	12,804	22,676	14,870	74,074

32. Other non-current liabilities

The item "other non-current liabilities" amounted to Euro 25,547 thousand at 31 December 2024 (Euro 24,236 thousand at 31 December 2023) and mainly consists of the portion beyond 12 months of deferred income recorded against contributions received from customers, third parties and local authorities for distribution plant-related activities. The application of IFRS 15 involves the deferment of contributions received from customers on the basis of the nature of the obligation resulting from the contract with customers, with the recognition of the related deferred liability, released on the basis of the useful life of the asset to which the contribution refers.

33. Trade payables

The breakdown of trade payables is shown in the following table:

Amounts in Euro thousands	2024	2023
TRADE PAYABLES	173,557	181,242
Payables to suppliers	172,959	179,385
Trade payables	598	1,857

Payables to suppliers

These are trade payables to suppliers consisting of all invoices to be received and received. They include the net payable position towards Terna as at the reporting date, amounting to Euro 68,485 thousand as at 31 December 2024 (Euro 59,768 thousand as at 31 December 2023), relating to CVA Energia.

Trade payables

These are debt positions with customers (mainly customers of CVA ENERGIE for the supply of electricity) that cannot be offset against receivables and are therefore shown separately.

34. Income tax payables and other tax payables

"Income tax payables" of Euro 37,059 thousand at 31 December 2024 (Euro 2,925 thousand at 31 December 2023) refer to current tax payables accrued during the year (Euro 29,637 thousand for IRES and Euro 7,422 thousand for IRAP). The change is mainly due to the increase in pre-tax profit.

Other tax payables amounting, on the other hand, to Euro 4,060 thousand (Euro 21,865 thousand at 31 December 2023) mainly include:

- withholding taxes to employees of Euro 1,524 thousand in 2024 (Euro 1,085 thousand at 31 December 2023);
- VAT payables, amounting to Euro 1,458 thousand in 2024 (Euro 11,457 thousand in 2023), settled in December 2024;
- Excise tax payables on electricity, amounting to Euro 634 thousand (Euro 8,882 thousand in 2023);

35. Other current liabilities

At 31 December 2024, other current liabilities amounted to Euro 63,140 thousand (Euro 39,674 thousand at 31 December 2023) and are mainly related to the following categories:

Amounts in Euro thousands	2024	2023
OTHER CURRENT LIABILITIES	63,140	39,674
Advances from customers	22,384	2,860
Payables to C.S.E.A.	8,759	9,558
Deferred liabilities	7,837	5,601
Payables to employees	6,488	5,167
Payables to INPS and other social security institutions	4,482	3,768
Payables for security deposits	1,324	4,396
Other current liabilities	11,865	8,323

A description of the main components is given below:

- Customer advances, amounting to Euro 22,384 thousand (Euro 2,860 thousand as at 31 December 2023), mainly include Euro 18,561 thousand as advances on consideration for third-party construction work related to photovoltaic plants carried out by the new Group company Sunnerg Group S.r.l.
- Payables to C.S.E.A., amounting to Euro 8,759 thousand (Euro 9,557 thousand as at 31 December 2023), refer to components of general charges invoiced to end customers and payable monthly to CSEA.
- deferred liabilities, mainly comprising deferrals on contributions received from customers, third parties and local authorities for plant-related activities are also recorded in accordance with IFRS 15 as described for non-current deferrals. This item also includes deferred income relating to capital contributions received by the Group and accounted for using the indirect method;
- payables to employees, equal to Euro 6,488 thousand at 31 December 2024 (Euro 5,167 thousand at 31 December 2023), mainly relating to expenses for holidays and leave accrued by Group employees, and not taken at the reporting date. This item was affected by the extension of the scope of consolidation;
- payables to INPS and other social security institutions, equal to Euro 4,482 thousand at 31 December 2024 (Euro 3,768 thousand at 31 December 2023), such as INPS, INAIL and other supplementary pension funds. The item was affected by the extension of the scope of consolidation
- payables for security deposits and guarantees collected, equal to Euro 1,324 thousand at 31 December 2024 (Euro 4,396 thousand at 31 December 2023), deriving from the security deposits paid by customers at the time of activation of the user to guarantee the correct fulfilment of the obligations assumed.

36. Categories of financial instruments

The following table shows the values of the financial statements at 31 December 2024 of financial assets and liabilities, broken down into the categories of financial instruments defined by IFRS 9:

Financial assets

<i>Amounts in Euro thousands</i>	2024	2023
Financial assets measured at fair value	11,429	105,334
Assets for financial derivatives in hedge accounting	5,345	29,005
Assets for financial derivatives not in hedge accounting	6,085	76,329
Loans and receivables	22,585	16,175
Loans receivables from associates	22,585	16,175
Financial assets held to maturity	-	-
Financial assets available for sale	36,048	35,141
Insurance policies	25,422	25,009
Portfolio of securities/funds	10,626	10,132

Financial liabilities

<i>Amounts in Euro thousands</i>	2024	2023
Financial liabilities measured at fair value	32,772	32,544
Liabilities for financial derivatives in hedge accounting	14,776	14,470
Liabilities for financial derivatives not in hedge accounting	17,996	18,074
Financial liabilities measured at amortised cost	853,955	896,314

37. Fair value of financial instruments

The following table illustrates, for financial instruments recorded in the balance sheet, the fair value valuation at the end of the reference period and the related level in the fair value hierarchy previously shown, comparing it with the value recorded in the financial statements:

Fair value hierarchy at 31 December 2024

<i>Amounts in Euro thousands</i>	Book value	2024			
		Total	Level 1	Level 2	Level 3
Financial assets	59,436	59,436	7,572	51,864	-
Loans receivables with associates and parent companies	22,585	22,585	-	22,585	-
Capitalisation insurance policies	25,422	25,422	-	25,422	-
Assets for financial derivatives	11,429	11,429	7,572	3,857	-

2024

Amounts in Euro thousands	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
Financial liabilities	886,728	946,942	25,199	921,744	-
Bank loans and bonds	853,955	914,170	-	914,170	-
Liabilities for financial derivatives	32,772	32,772	25,199	7,574	-

Fair value hierarchy at 31 December 2023

2023

Amounts in Euro thousands	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
Financial assets	146,519	146,519	99,824	46,694	-
Loans receivables with associates and parent companies	16,175	16,175	-	16,175	-
Capitalisation insurance policies	25,009	25,009	-	25,009	-
Assets for financial derivatives	105,334	105,334	99,824	5,510	-

2023

Amounts in Euro thousands	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
Financial liabilities	928,858	946,714	25,987	920,727	-
Bank loans and bonds	896,314	914,170	-	914,170	-
Liabilities for financial derivatives	32,544	32,544	25,987	6,557	-

In general, the fair value of derivatives traded on regulated markets (such as future commodities) is determined using the official prices for financial instruments (Level 1). For financial instruments not listed on regulated markets, on the other hand, the relative fair value is determined using appropriate valuation models for each category, using the market data available at the reporting date and discounting expected cash flows based on the interest rate curves (Level 2 input data). With reference to cash and cash equivalents and other short-term financial assets or liabilities, the nominal value recognised in the financial statements represents a reasonable approximation of the relative fair value.

Transactions with related parties

With regard to the identification of the economic-equity relations with related parties and for the definition of "related party", reference is made to the international accounting standard IAS 24, approved by EC Regulation No. 1725/2003. Transactions with the companies belonging to the CVA Group, as well as with the other related parties - mainly the Region and FINAOSTA, as well as the other subsidiaries and associates - are governed by specific contracts. The following tables summarise the economic and financial relations between the Group and the other related parties during the financial years 2024 and 2023 (the values are shown in Euro thousands):

Receivables from related parties

Amounts in Euro thousands								
Company	2024				2023			
	Financial receivables	Trade receivables	Other receivables	Rights of Use (IFRS 16)	Financial receivables	Trade receivables	Other receivables	Rights of Use (IFRS 16)
Parent Company	-	18	-	-	-	15	188	-
Finaosta S.p.A.	-	18	-	-	-	15	188	-
Associated Companies	5,711	3	-	-	6,369	2	-	-
Téléchauffage Aoste S.r.l.	5,711	3	-	-	6,369	2	-	-
Other companies	-	-	-	-	-	-	-	-
Finaosta Group Companies	-	2,575	11	1,248	-	3,943	124	1,463
Monterosa S.p.A.	-	545	-	-	-	1,005	-	-
Pila S.p.A.	-	644	-	-	-	707	-	-
Cervino S.p.A.	-	563	-	-	-	957	-	-
Courmayeur Mont Blanc Funivie S.p.A.	-	421	-	-	-	648	-	-
Funivie Piccolo San Bernardo S.p.A.	-	273	-	-	-	256	-	-
FUNIVIE MONTE BIANCO S.P.A.	-	66	-	-	-	68	-	-
CASINO DE LA VALLEE S.P.A.	-	-	-	-	-	-	-	-
AEROPORTO VALLE D'AOSTA S.P.A.	-	-	-	-	-	83	-	-
Struttura VdA S.r.l.	-	27	11	1,248	-	53	116	1,397
AUTOPORTO VALLE D'AOSTA S.p.A.	-	16	-	-	-	104	-	52
IN.VA S.P.A.	-	-	-	-	-	53	-	-
ISECO S.p.A.	-	20	-	-	-	-	-	-
PROGETTO FORMAZIONE S.C.R.L.	-	1	-	-	-	-	-	-
SOCIÉTÉ INFRASTRUCTURES VALDÔTAINES S.r.l.	-	-	-	-	-	8	-	-
S.A.V. S.p.A.	-	-	-	-	-	-	8	14
Other Finaosta Group companies	-	-	-	-	-	-	-	-
Valle d'Aosta Region and its investees	-	818	842	12	-	843	566	4
Valle d'Aosta Region	-	551	842	12	-	568	566	4
Council of the Valle d'Aosta Region	-	25	-	-	-	32	-	-
Casinò de la Vallée	-	191	-	-	-	165	-	-
SITRASB S.p.A.	-	21	-	-	-	-	-	-
AVDA S.p.A.	-	30	-	-	-	52	-	-
VALECO S.P.A.	-	-18	-	-	-	-22	-	-
Inva S.p.A.	-	18	-	-	-	-	-	-
Other companies controlled by the Valle d'Aosta Region	-	-	-	-	-	48	-	-
Directors, Executives with strategic responsibilities and Statutory Auditors	-	5	156	-	-	5	177	-
Directors	-	3	156	-	-	3	177	-
Executives	-	3	-	-	-	3	-	-
Auditors	-	-	-	-	-	-	-	-
Other related parties	-	-	-	-	-	-	-	-
TOTAL	5,711	3,419	1,009	1,259	6,369	4,808	1,055	1,467

Payables to related parties

Amounts in Euro thousands		2024			2023		
Company	Trade payables	Financial payables and IFRS 16	Other payables	Trade payables	Financial payables and IFRS 16	Other payables	
Parent Company	-	-	-	-	-	179	
Finaosta S.p.A.	-	-	-	-	-	179	
Associated Companies	6	-	-	-	-	-	
Téléchauffage Aoste S.r.l.	6	-	-	-	-	-	
Le Brasier S.r.l.	-	-	-	-	-	-	
Other companies	-	-	-	-	-	-	
Finaosta Group Companies	-	1,275	-	88	1,425	17	
Progetto Formazione S.c.r.l.	-	-	-	-	-	-	
Autoporto VALLE D'AOSTA S.P.A.	-	-	-	54	54	-	
Struttura VdA S.r.l.	-	1,275	-	34	1,371	-	
SOCIÉTÉ INFRASTRUCTURES VALDÔTAINES S.r.l.	-	-	-	-	-	9	
IN.VA S.P.A.	-	-	-	-	-	8	
Valle d'Aosta Region and its investees	-	12	6,547	11	-	6,147	
Valle d'Aosta Region	-	12	6,547	-	-	5,873	
CASINO DE LA VALLEE S.P.A.	-	-	-	1	-	-	
Pila S.p.A.	-	-	-	-	-	275	
Other companies controlled by the Valle d'Aosta Region	-	-	-	10	-	-	
Directors, Executives with strategic responsibilities and Statutory Auditors	-	-	616	-	-	119	
Directors	-	-	15	-	-	45	
Auditors	-	-	519	-	-	74	
Executives	-	-	82	-	-	-	
TOTAL	6	1,286	7,163	99	1,425	6,462	

Revenues and other income with related parties

Amounts in Euro thousands		2024			2023		
Company	Revenues from sales and services	Other revenues and income	Financial income	Revenues from sales and services	Other revenues and income	Financial income	
Parent Company	93	-	-	95	9	-	
Finaosta S.p.A.	93	-	-	95	9	-	
Associated Companies	7	-	203	6	-	404	
Téléchauffage Aoste S.r.l.	7	-	203	6	-	224	
Bonifiche Ferraresi. S.p.A.	-	-	-	-	-	180	
Other companies	-	-	-	-	-	2	
Finaosta Group Companies	12,145	109	-	12,200	355	-	
Cervino S.p.A.	3,293	109	-	3,012	140	-	
Monterosa S.p.A.	2,841	-	-	3,097	98	-	
Funivie Piccolo San Bernardo S.p.A.	1,296	-	-	1,348	-	-	
Pila S.p.A.	1,753	-	-	1,869	-	-	
Courmayeur Mont Blanc Funivie S.p.A.	1,524	-	-	1,483	-	-	
Funivie Monte Bianco S.p.A.	667	-	-	694	-	-	

<i>Amounts in Euro thousands</i>						
Company	2024			2023		
	Revenues from sales and services	Other revenues and income	Financial income	Revenues from sales and services	Other revenues and income	Financial income
STRUTTURA VALLE D' AOSTA S.R.L.	267	-	-	298	6	-
Progetto Formazione S.c.r.l.	9	-	-	-	-	-
ISECO S.p.A.	268	-	-	187	-	-
VALECO S.P.A.	10	-	-	-	-	-
AUTOPORTO VALLE D' AOSTA S.p.A.	212	-	-	158	111	-
SOCIÉTÉ INFRASTRUCTURES VALDÔTAINES	5	-	-	53	-	-
Aosta Factor S.p.A.	-	-	-	-	-	-
Società di servizi Valle d' Aosta S.p.a.	-	-	-	1	-	-
Valle d' Aosta Region and its investees	5,376	330	-	4,987	349	-
Valle d' Aosta Region	2,610	33	-	2,583	30	-
Council of the Valle d' Aosta Region	-	297	-	40	299	-
Casino de la Vallée	2,266	-	-	1,995	-	-
SITRASB S.p.A.	236	-	-	132	-	-
IN.VA S.P.A.	189	-	-	193	20	-
AVDA S.p.A.	74	-	-	44	-	-
S.A.V. S.p.A.	-	-	-	-	-	-
Società di Servizi Valle d' Aosta S.p.A.	1	-	-	-	-	-
Other companies controlled by the Valle d' Aosta Region	-	-	-	-	-	-
Other related parties	-	-	-	4	-	-
Directors, Executives with strategic responsibilities and Statutory Auditors	5	25	-	14	9	-
Directors	1	6	-	7	-	-
Executives	-	19	-	1	9	-
Auditors	3	-	-	6	-	-
TOTAL	17,627	464	203	17,305	721	406

Costs and other expenses with related parties

<i>Euro thousands</i>						
Company	2024			2023		
	Operating costs	Amortisation, depreciation and interest IFRS 16	Financial expenses	Operating costs	Amortisation, depreciation and interest IFRS 16	Financial expenses
Parent Company	-	-	-	-	-	-
Finaosta S.p.A.	-	-	-	-	-	-
Associated Companies	11	-	-	30	-	-
Téléchauffage Aoste S.r.l.	11	-	-	30	-	-
Other companies	-	-	-	404	1	-
Finaosta Group Companies	97	117	51	111	139	-
Cervino S.p.A.	1	-	-	1	-	-
Monterosa S.p.A.	65	-	-	-	-	-
Funivie Piccolo San Bernardo S.p.A.	32	-	-	35	-	-
Pila S.p.A.	-	-	-	-	-	-
Courmayeur Mont Blanc Funivie S.p.A.	-	-	-	-	-	-
Funivie Monte Bianco S.p.A.	-	-	-	-	-	-
STRUTTURA VALLE D' AOSTA S.R.L.	-	117	51	6	130	-

Euro thousands

Company	2024			2023		
	Operating costs	Amortisation, depreciation and interest IFRS 16	Financial expenses	Operating costs	Amortisation, depreciation and interest IFRS 16	Financial expenses
ISECO S.p.A.	-	-	-	-	-	-
AUTOPORTO VALLE D'AOSTA S.p.A.	-	-	-	69	9	-
Valle d'Aosta Region and its investees	26,009	1	1	25,341	4	-
Valle d'Aosta Region	26,008	1	1	25,239	2	-
Council of the Valle d'Aosta Region	-1	-	-	-	-	-
IN.VA S.P.A.	-	-	-	65	-	-
VALECO S.P.A.	-	-	-	-	-	-
R.A.V. S.p.A.	-	-	-	12	-	-
SAV	3	-	-	26	2	-
Other companies controlled by the Valle d'Aosta Region	-	-	-	-	-	-
Directors, Executives with strategic responsibilities and Statutory Auditors	3,345	-	28	1,367	-	-
Directors	1,381	-	-	164	-	-
Executives	1,802	-	-	1,118	-	-
Auditors	163	-	28	85	-	-
TOTAL	29,463	119	79	27,253	144	-

Relations with the parent company

The main contract with FINAOSTA concerns the supply of electricity through CVA ENERGIE.

Relations with associates

The nature of relations with associated companies is related to the following aspects:

- financial transactions: interest-bearing loans granted by CVA, CVA EOS and SR Investimenti to interest-bearing associated companies;
- commercial relations: supply of electricity through CVA ENERGIE, according to the normal market conditions applied to the majority of customers.

Relations with other related parties

Pursuant to IAS 24, related parties also include the subsidiaries and associated companies of FINAOSTA, the Region and its subsidiaries, as well as the directors, executives with strategic responsibilities and statutory auditors of CVA, as Parent Company, and of FINAOSTA. The relations with these parties are mainly of a commercial nature, related to the supply of electricity, as well as compensation for the services performed by the directors, by the executives with strategic responsibilities and auditors with respect to CVA. In the specific case of the Region, the main economic relationship arises from the economic relationship between the concessionaire and the granter with regard to hydroelectric concessions. The fees due to the Region for the exploitation of water for hydroelectric purposes are, in fact, of paramount importance with their value of Euro 24,005 thousand.

It should be noted that the accounting treatment as required by IFRS 16 has led to the emergence of fixed assets and financial liabilities attributable to lease contracts with related parties. Specifically, these are fees for crossings due to the Region.

Furthermore, as regards the members of the Board of Directors, there are no further relations in addition to the offices held in CVA and from which the related remuneration and economic benefits derive.

Other information

Independent auditors' fees

In accordance with article 2427 paragraph 1 point 16-bis of the Civil Code, below is information concerning the fees paid to the independent auditors for the audit of these financial statements, the signing of the related tax returns and the certification of the Separate Annual Accounts for ARERA. These fees will flow into the 2024 financial statements:

<i>amounts in Euro</i>			
Type of services	Service provider	Parent Company	Other Group companies
Statutory audit	EY S.p.A.	102,505	314,080
	Pricewaterhouse Coopers S.p.A.	-	13,000
	Belluzzo Audit Limited	-	12,993
	Smart Audit Concept S.r.l.	-	20,093
	Dr Bortone Cesare	-	19,000
	Dr Fiore Alberto	-	5,000
	Dr Cova Filippo	-	5,000
Total Statutory Audit		102,505	389,167
Other services other than auditing	EY S.p.A.	20,322	28,351
Total fees paid to the independent auditors		122,827	417,518

Commitments, guarantees and contingent liabilities

Below is a breakdown of the sureties and credit lines obtained and released by the Group on the date the note was prepared:

- the Parent Company has issued personal sureties for the benefit of suppliers to guarantee the correct fulfilment of all the contractual obligations of the subsidiaries, for a total amount of Euro 227,158 thousand at 31 December 2023 (247,068 thousand at 31 December 2023). More specifically, at 31 December 2023, the main ones refer to personal guarantees issued for:
 - CVA ENERGIE for Euro 209,693 thousand;
 - DEVAL, as distributor of the Group, for Euro 16,592 thousand;
 - RTS for Euro 148 thousand;
- the Parent Company has issued personal sureties to guarantee the correct fulfilment of all the contractual obligations of the associated company TELCHA for Euro 724 thousand (Euro 944 thousand at 31 December 2023)
- there were Euro 127,628 thousand (Euro 983 thousand at 31 December 2023) for sureties issued by leading banking and insurance institutions to guarantee the correct fulfilment of all contractual obligations to suppliers and all tax obligations of Group companies.

Information pursuant to article 1, paragraph 125, of the law of 4 August 2017 no. 124

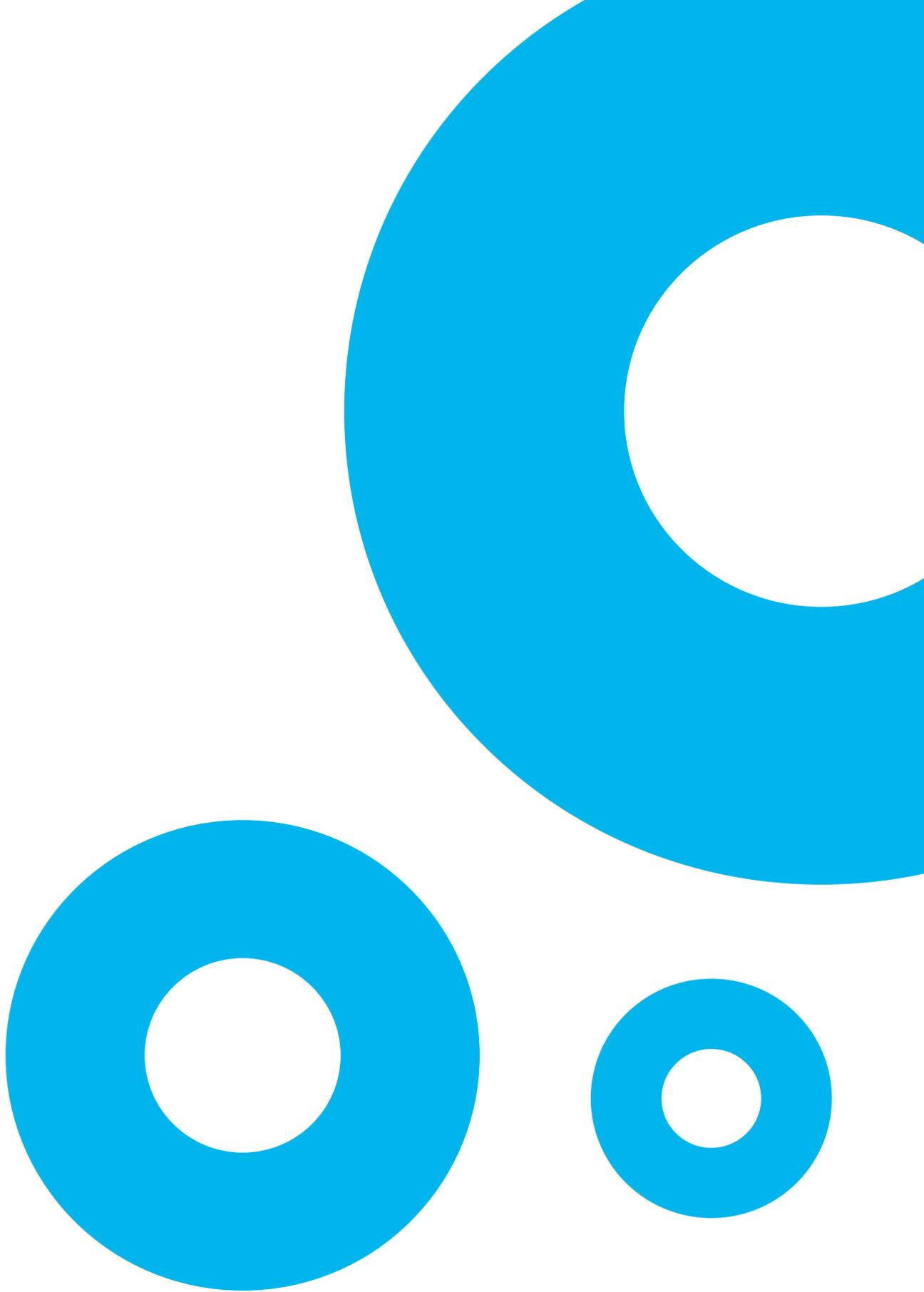
Law 124 of 4 August 2017, Article 1, paragraphs 125-129 (Annual Law on the Market and Competition), introduced new disclosure requirements regarding the transparency of public funding received and granted. This discipline has recently been modified by Art. 35 of Decree-Law No. 34/2019 ("Growth Decree"), which has limited the obligations of transparency, excluding from the perimeter the advantages received by the beneficiary on the basis of a general regime (tax facilitations, contributions that are given to all those who meet certain conditions). The transparency rules of Law No. 124/2017 are therefore focused on bilateral relations, in which a given entity in the public sphere attributes an advantage to a particular entity in the third sector or to a specific company. As a result of this new legislation, tax facilitations were not taken into account, as they were general and not individual measures.

The reporting criterion to be followed is the "cash criterion". Contributions are expressed gross of any withholding and/or other compensation. In light of the above, the grants (contributions, paid tasks, economic benefits) received by public administrations, not listed in the National State Aid Register, are summarised below.

Beneficiary	Disbursing party	Amounts in Euro	Reason	Notes
CVA S.p.A.	GSE S.p.A.	881,759.41	GRIN incentive - Convention 000023	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	428,187.43	GRIN incentive - Convention 000648	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	403,640.53	GRIN incentive - Convention 001579	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	2,008,637.79	GRIN incentive - Convention 000889	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	7,773.66	Feed-In Tariff - Convention S01B00319806	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	2,312,879.71	GRIN incentive - Convention 001018	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	140,899.87	GRIN incentive - Convention 000624	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	577,675.50	GRIN incentive - Convention 001036	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	173,380.73	Feed-In Tariff - Convention S01L232266707	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	167,797.97	Feed-In Tariff - Convention H01L229497207	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	167,123.81	Feed-In Tariff - Convention S01L232264707	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	540,388.17	Feed-In Tariff - Convention H01F10829207	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	182,399.13	Feed-In Tariff - Convention S01L242645207	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	523,897.35	Feed-In Tariff - Convention H01F11146607	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	173,469.45	Feed-In Tariff - Convention S01L232264007	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	547,428.37	Feed-In Tariff - Convention H01F11430307	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	543,629.50	Feed-In Tariff - Convention H01F11146807	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	169,681.87	Feed-In Tariff - Convention S01L232259507	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	179,784.91	Feed-In Tariff - Convention S01L232261007	Incentive published on the website of GSE

Beneficiary	Disbursing party	Amounts in Euro	Reason	Notes
CVA EOS S.r.l.	GSE S.p.A.	532,757.31	Feed-In Tariff - Convention H01F10827507	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	164,247.51	Feed-In Tariff - Convention S01L244972507	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	520,951.68	Feed-In Tariff - Convention H01F10828407	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	524,725.67	Feed-In Tariff - Convention H01F10828007	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	92,182.90	Feed-In Tariff - Convention S01F10764307	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	169,696.97	Feed-In Tariff - Convention S01L242987407	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	187,793.19	Feed-In Tariff - Convention S01L232277807	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	493,174.37	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER001115	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	736,715.35	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER002202	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	633,901.04	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER002027	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	1,251,059.15	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER000672	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	32,401.81	Dedicated collection - Convention RID010391	Incentive published on the website of GSE
Valdigne Energie S.r.l.	GSE S.p.A.	2,683,950.00	GRIN incentive pursuant to Ministerial Decree 6 July 2012 - Convention 000543	Incentive published on the website of GSE
Valdigne Energie S.r.l.	GSE S.p.A.	1,557,396.00	GRIN incentive pursuant to Ministerial Decree 6 July 2012 - Convention 001048	Incentive published on the website of GSE
AJE S.r.l.	GSE S.p.A.	372,145.21	Feed-In Tariff - Convention L03L229623007	Incentive published on the website of GSE
BE ASCOLI S.r.l.	GSE S.p.A.	74,075.98	Feed-In Tariff - Convention O06L251863307	Incentive published on the website of GSE
BE ASCOLI S.r.l.	GSE S.p.A.	149,187.02	Feed-In Tariff - Convention O06L251868607	Incentive published on the website of GSE
CORVO S.r.l.	GSE S.p.A.	454,854.33	Feed-In Tariff - Convention E01F23629007	Incentive published on the website of GSE
ENERGIA DUE S.r.l.	GSE S.p.A.	356,996.51	Conto Energia - Convention M01F21601907 Angelini 379	Incentive published on the website of GSE
ENERGIA DUE S.r.l.	GSE S.p.A.	872,779.85	Conto Energia - Convention M01F16734107 Buffi 389	Incentive published on the website of GSE
ENERGIA DUE S.r.l.	GSE S.p.A.	1,019,463.57	Conto Energia - Convention M01F21600307 Forche 385	Incentive published on the website of GSE
ENERGIA DUE S.r.l.	GSE S.p.A.	988,542.14	Conto Energia - Convention M01F19667707 Buffi 394	Incentive published on the website of GSE
ENERGIA SEI S.r.l.	GSE S.p.A.	623,549.78	Conto Energia - Convention M01F19668007 Forche 387	Incentive published on the website of GSE
ENERGIA SEI S.r.l.	GSE S.p.A.	739,087.07	Conto Energia - Convention M01F17362507 Angelini 383	Incentive published on the website of GSE
ENERGIA UNO S.r.l.	GSE S.p.A.	537,867.30	Conto Energia - Convention M01F16771407 Angelini 378	Incentive published on the website of GSE
ENERGIA UNO S.r.l.	GSE S.p.A.	627,852.22	Conto Energia - Convention M01F19666707 Forche 384	Incentive published on the website of GSE
ENERGIA UNO S.r.l.	GSE S.p.A.	365,094.14	Conto Energia - Convention M01F16878207 Buffi 388	Incentive published on the website of GSE
ENERGIA UNO S.r.l.	GSE S.p.A.	661,106.89	Conto Energia - Convention M01F23935507 Buffi 393	Incentive published on the website of GSE
ENKI S.r.l.	GSE S.p.A.	387,846.26	Conto Energia - Convention I08F26698507 M1	Incentive published on the website of GSE
ENKI S.r.l.	GSE S.p.A.	458,877.50	Conto Energia - Convention I08F25181307 M2	Incentive published on the website of GSE
ENKI S.r.l.	GSE S.p.A.	383,464.68	Conto Energia - Convention I08F25192007 M3	Incentive published on the website of GSE

Beneficiary	Disbursing party	Amounts in Euro	Reason	Notes
HAR S.r.l.	GSE S.p.A.	373,755.33	Conto Energia - Convention I08F25082507 SIRIO	Incentive published on the website of GSE
HAR S.r.l.	GSE S.p.A.	235,490.87	Conto Energia - Convention I08F26513507 ANDROMEDA	Incentive published on the website of GSE
HELIO S.r.l.	GSE S.p.A.	405,253.70	Feed-In Tariff - Convention G04F11241907HT1	Incentive published on the website of GSE
HELIO S.r.l.	GSE S.p.A.	414,374.60	Conto Energia - Convention G04F11626207 HT2	Incentive published on the website of GSE
MEPU S.r.l.	GSE S.p.A.	652,892.38	Feed-In Tariff - Convention L06F27077507	Incentive published on the website of GSE
MOTTALCIATA S.r.l.	GSE S.p.A.	274,455.70	Feed-In Tariff - Convention L03M229769507	Incentive published on the website of GSE
VALLE S.r.l.	GSE S.p.A.	422,454.26	Feed-In Tariff - Convention E01F22950607	Incentive published on the website of GSE
VIVATERRA S.r.l.	GSE S.p.A.	189,413.98	Conto Energia - Convention R01L259689307	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly CAVAGLIA S.r.l.	GSE S.p.A.	206,715.15	Feed-In Tariff - Convention L03L229623007	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly TABATA S.r.l.	GSE S.p.A.	427,293.04	Conto Energia - Convention I08F25533107 SARAA1	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly TABATA S.r.l.	GSE S.p.A.	349,361.72	Conto Energia - Convention I08F29617307 SONNE 1	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly TABATA S.r.l.	GSE S.p.A.	392,300.25	Conto Energia - Convention I08L33736807 SONNE 2	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly MORGANA S.r.l.	GSE S.p.A.	402,813.03	Conto Energia - Convention I08F27837607 SIAD 4	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly MORGANA S.r.l.	GSE S.p.A.	430,229.80	Conto Energia - Convention I08F29463907 SIAD 6	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BE SOLAR 2 S.r.l.	GSE S.p.A.	255,235.33	Feed-In Tariff - Convention I08L253694107	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BE SOLAR 4 S.r.l.	GSE S.p.A.	170,412.15	Feed-In Tariff - Convention I08L254521007	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BIOTWIN 2 S.r.l.	GSE S.p.A.	288,761.14	Feed-In Tariff - Convention T06L239494907	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BLOOMOTION S.r.l.	GSE S.p.A.	454,917.51	Feed-In Tariff - Convention I08F23541707	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly DOMUS S.r.l.	GSE S.p.A.	156,387.80	Feed-In Tariff - Convention H04L240207207	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly FELCINO S.r.l.	GSE S.p.A.	382,964.82	Feed-In Tariff - Convention R01L236133307	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly FLUSI S.r.l.	GSE S.p.A.	287,302.25	Feed-In Tariff - Convention I08L31675407	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BIOTWIN S.r.l.	GSE S.p.A.	195,502.89	Conto Energia - Convention T06L237710807 ASOLA A	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BIOTWIN S.r.l.	GSE S.p.A.	174,427.40	Conto Energia - Convention T06L236438907 ASOLA B	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BIOTWIN S.r.l.	GSE S.p.A.	144,477.25	Conto Energia - Convention T06L236456407 ASOLA C	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BIOTWIN S.r.l.	GSE S.p.A.	175,478.15	Conto Energia - Convention T06L236475407 ASOLA D	Incentive published on the website of GSE
SR Investimenti 2 S.r.l. Formerly BIOTWIN S.r.l.	GSE S.p.A.	179,099.39	Conto Energia - Convention T06L236804907 ASOLA E	Incentive published on the website of GSE
Eolica Cancellara S.r.l.	GSE S.p.A.	1,627,695.00	GRIN incentive - Convention FER001939	Incentive published on the website of GSE



ANNUAL FINANCIAL REPORT OF CVA S.p.A. a s.u. AT 31/12/2024



ANNUAL FINANCIAL STATEMENTS

Balance Sheet Assets

Amounts in Euro	Notes	2024		2023	
		Total	Of which related parties	Total	Of which related parties
ASSETS					
Non-current assets					
Tangible assets	(12) - (14)	292,350,378	-	292,468,385	-
Intangible assets	(13) - (14)	3,504,723	11,522	3,467,423	-
Goodwill	(15)	172,876,038	-	172,876,038	-
Equity investments	(16)	490,483,304	-	240,722,535	-
Non-current tax receivables	(23)	74,474,425	-	19,339,678	-
Deferred tax assets	(17)	2,669,977	-	5,436,206	-
Non-current financial assets	(18)	495,417,704	474,995,618	464,999,534	440,799,176
Trade receivables	(21)	1,919,213	-	89,708,691	-
Other non-current assets	(19)	1,847,827	845,263	1,678,876	553,498
TOTAL NON-CURRENT ASSETS		1,535,543,588		1,290,697,366	
Current assets					
Inventories	(20)	1,735,632	-	1,673,674	-
Trade receivables	(21)	47,886,538	46,150,022	77,120,692	44,335,522
Receivables for income taxes	(22)	15,118,869	15,058,533	11,538,538	667,361
Other tax receivables	(23)	69,830,098	8,879,445	37,174,797	9,252,600
Derivatives	(24)	2,242,015	-	5,451,018	-
Other current financial assets	(25)	231,682,536	214,127,205	294,085,719	284,083,148
Cash and cash equivalents	(27)	274,753,543	-	325,522,282	-
Other current assets	(26)	12,816,681	8,093	18,118,926	3,655,662
TOTAL CURRENT ASSETS		656,065,912	-	770,685,647	-
Assets classified as held for sale		395,214	-	-	-
TOTAL ASSETS		2,192,004,714	-	2,061,383,013	-

Balance Sheet Liabilities

Amounts in Euro	Notes	2024		2023	
		Total	Of which related parties	Total	Of which related parties
SHAREHOLDERS' EQUITY					
Share capital	(28)	395,000,000	-	395,000,000	-
Other reserves	(28)	356,100,338	-	347,552,909	-
Profits/(Losses) carried forward	(28)	174,025,611	-	58,592,960	-
Net result of the year	(28)	203,962,416	-	205,877,394	-
TOTAL SHAREHOLDERS' EQUITY		1,129,088,365	-	1,007,023,263	-
LIABILITIES					
Non-current liabilities					
Employee benefits	(29)	3,523,021	-	2,537,987	-
Provisions for risks and charges	(30)	1,628,215	-	1,376,655	-
Deferred tax liabilities	(17)	13,663,823	-	14,712,024	-
Non-current financial liabilities	(31)	401,157,276	1,125,200	808,309,076	1,042,876
Other non-current liabilities	(37)	929,103	-	940,949	-
TOTAL NON-CURRENT LIABILITIES		420,901,439	-	827,876,691	-
Current liabilities					
Employee benefits	(29)	890,614	-	699,450	-
Trade payables	(34)	57,906,958	2,027,987	81,357,406	2,427,776
Payables for income taxes	(35)	34,041,089	1,635,456	36,021,595	33,959,141
Other tax payables	(36)	1,787,632	-	12,150,789	314
Derivatives	(24)	7,391,659	-	6,525,285	-
Other current financial liabilities	(31)	527,172,211	109,988,510	77,939,682	86,430
Other current liabilities	(37)	12,824,747	6,604,240	11,788,853	5,927,991
TOTAL CURRENT LIABILITIES		642,014,911	-	226,483,059	-
Liabilities related to assets held for sale		-	-	-	-
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		2,192,004,714	-	2,061,383,013	-

Income Statement

Amounts in Euro	Notes	2024		2023	
		Total	Of which related parties	Total	Of which related parties
REVENUES					
Revenues from sales and services	(1)	355,327,074	352,100,222	374,243,045	275,359,390
Other revenues and income	(2)	6,810,423	1,041,621	3,419,362	1,119,227
TOTAL REVENUES (A)		362,137,497		377,662,408	
of which: impact of non-recurring items		-		221,912	
OPERATING COSTS					
Costs for raw materials and services	(3)	30,656,942	2,566,231	103,897,016	7,384,735
Personnel costs	(4)	34,673,405	1,671,438	30,953,812	1,117,541
Other operating costs	(5)	48,914,462	25,257,389	80,634,548	24,386,625
Capitalised days of work	(6)	(1,390,124)	-	(1,610,213)	-
TOTAL OPERATING COSTS (B)		112,854,685		213,875,164	
of which: impact of non-recurring items		-		34,213,687	
GROSS OPERATING MARGIN (A-B)		249,282,812		163,787,244	
of which: impact of non-recurring items		-		(33,991,775)	
AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS					
Amortisation/Depreciation	(7)	27,716,050	118,601	26,009,144	28,570
Provisions and write-downs	(8)	(70,317)	-	277,610	-
TOTAL AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS (C)		27,645,733		26,286,754	-
of which: impact of non-recurring items		-		-	
OPERATING RESULT (A-B+/-C)		221,637,079		137,500,489	
of which: impact of non-recurring items		-		(33,991,775)	-
NET FINANCIAL INCOME AND EXPENSES					
Financial income	(9)	80,354,598	66,023,693	117,853,587	107,648,150
Financial expenses	(10)	28,348,946	1,423,568	3,181,721	31,902
TOTAL FINANCIAL BALANCE (D)		52,005,652		114,671,866	
of which: impact of non-recurring items		-		20,496,967	
PRE-TAX RESULT (A-B+/-C+/-D)		273,642,731		252,172,356	
of which: impact of non-recurring items		-		(13,494,808)	-
Gains/(losses) for income taxes	(11)	69,680,315	(820,246)	46,294,962	(104,816)
Net result of continuing operations		203,962,416		205,877,394	
Net result of discontinued operations		-		-	-
PERIOD NET RESULT		203,962,416		205,877,394	

Statement of Other Comprehensive Income

Amounts in Euro	Notes	2024	2023
Result of the period (A)	(28)	203,962,416	205,877,394
Other components of the Comprehensive Income Statement that can be reclassified to the Income Statement in subsequent periods (net of the tax effect)			
- Effective portion of changes in <i>fair value</i> of cash flow hedges		(6,906,580)	(27,216,817)
Total other components of Comprehensive Income that can be reclassified to the Income Statement in subsequent periods (net of the tax effect) (B)		(6,906,580)	(27,216,817)
Other components of Comprehensive Income that cannot be reclassified to the Income Statement in subsequent periods (net of taxes)			
- Remeasurement of liabilities for defined benefit plans for employees		59,267	(205,243)
Total other components of Comprehensive Income that cannot be reclassified to the Income Statement in subsequent periods (net of taxes) (C)		59,267	(205,243)
Total profit/(loss) recognised directly in equity (B+C)		(6,847,313)	(27,422,060)
TOTAL PROFIT RECOGNISED IN THE YEAR (A+B+C)		197,115,102	178,455,334

Statement of changes in equity items

Amounts in Euro

	Share capital	Legal Reserve	Other reserves	Reserve from remeasurement for employee benefit plans	Cash flow hedge reserve	Profits/ (Losses) carried forward	Net result of the year	Total
At 01 January 2023	395,000,000	60,616,419	305,084,077	61,412	47,225,223	35,814,527	59,776,772	903,578,429
Allocation of 2022 profits/(losses)								
- profits carried forward	-	2,988,839	-	-	-	22,778,433	(25,767,272)	-
- distribution of dividends	-	-	(41,001,000)	-	-	-	(34,009,500)	(75,010,500)
Comprehensive profit/(loss) recognised in the year								
- profits and losses recognised directly in equity	-	-	-	(205,243)	(27,216,817)	-	-	(27,422,060)
- profit for the year	-	-	-	-	-	-	205,877,394	205,877,394
Other changes	-	-	-	-	-	-	-	-
At 31 December 2023	395,000,000	63,605,257	264,083,077	(143,831)	20,008,406	58,592,960	205,877,394	1,007,023,263
At 01 January 2024	395,000,000	63,605,257	264,083,077	(143,831)	20,008,406	58,592,960	205,877,394	1,007,023,263
Allocation of 2023 profits/(losses)								
- profits carried forward	-	15,394,743	-	-	-	115,432,651	(130,827,394)	-
- distribution of dividends	-	-	-	-	-	-	(75,050,000)	(75,050,000)
Comprehensive profit/(loss) recognised in the year								
- profits and losses recognised directly in equity	-	-	-	59,267	(6,906,580)	-	-	(6,847,313)
- profit for the year	-	-	-	-	-	-	203,962,416	203,962,416
Other changes	-	-	-	-	-	-	-	-
AT 31 DECEMBER 2024	395,000,000	79,000,000	264,083,077	(84,564)	13,101,825	174,025,611	203,962,416	1,129,088,366

Cash Flow Statement

Amounts in Euro	2024	2023
A. Cash flows from operating activities (indirect method)		
Profit (loss) of the year	203,962,416	205,877,394
Income taxes	69,680,315	46,294,962
Net financial interest expenses	(51,813,968)	(114,205,231)
Allocations and income provisions for risks and charges	268,294	(70,033)
Allocations and reversal to income of employee severance indemnity (TFR) and other benefits	1,768,058	486,407
Amortisation/Depreciation of fixed assets	27,716,050	26,009,144
Bad debts	(149,325)	277,610
Write-downs, revaluations and gains/losses	(113,177)	(261,484)
Result from shareholdings carried at equity	-	-
Other adjustments for non-monetary elements	-	-
CASH FLOW AFTER ADJUSTMENTS OF NON-MONETARY ITEMS	251,318,664	164,408,769
Changes in NWC		
Decrease/(increase) in trade receivables net of write-downs	117,172,958	(105,493,961)
Increase/(decrease) in payables to suppliers	(23,450,447)	54,668,909
Increase/(decrease) in other current assets/liabilities	(163,237,839)	(24,589,934)
<i>of which: net taxes (paid)/reimbursed</i>	<i>(71,360,815)</i>	<i>(13,379,172)</i>
Changes in NWC	(69,515,329)	(75,414,986)
CASH FLOW AFTER CHANGES IN NWC	181,803,335	88,993,783
Other changes not included in changes in NWC		
Net change in provisions for risks and charges	(16,734)	(1,750)
Net change in Employee severance indemnity (TFR) and other employee benefits	(599,614)	(518,841)
Change in other assets and liabilities not included in NWC	(180,797)	347,511
Other changes not included in changes in NWC	(797,145)	(173,081)
CASH FLOW FROM OPERATING ACTIVITIES (A)	181,006,190	88,820,702
B. Cash flows from investment activities		
(Investments)/divestments - Tangible assets	(27,211,546)	(22,832,163)
(Investments)/divestments - Intangible assets	(897,518)	(1,299,436)
(Investments)/divestments - Equity investments and goodwill	(250,000,000)	(107,052,249)
(Investments)/divestments or repayments - Financial assets (current and non-current)	(75,404,729)	(371,806,893)
CASH FLOWS FROM INVESTMENT ACTIVITIES (B)	(353,513,794)	(425,938,492)
C. Cash flows from financing activities		
Interest collected/(paid)	50,756,205	89,231,912
Borrowed capital	146,032,660	428,135,069
Increase/(decrease) in financial assets/liabilities centralised treasury	215,183,000	91,724,000
New/(Repayment of) loans	(69,150,340)	336,411,069
Equity	(75,050,000)	(75,010,500)
Paid capital increase	-	-
(Capital redemption)	-	-
Other capital increases (decreases)	-	-
Change in receivables from shareholders	-	-
Sale (purchase) of treasury shares	-	-
Dividends (and interim dividends) paid	(75,050,000)	(75,010,500)
Cash flow from financing activities (C)	121,738,865	442,356,481
Increase (decrease) in cash and cash equivalents (A ± B ± C)	(50,768,739)	105,238,691
<i>Of which net cash and cash equivalents from extraordinary transactions</i>	<i>-</i>	<i>-</i>
Cash and cash equivalents at 1 January	325,522,282	220,283,591
Cash and cash equivalents at 31 December	274,753,543	325,522,282

Notes to the Annual Financial Statements

Company Information

The Company and the CVA Group, of which it is the Parent Company, operate in the electricity sector. The Company, which has the legal form of a Sole Shareholder Company, has its registered office in Via Stazione 31 in Châtillon (AO). Since the prerequisites set forth in Article 2364 of the Italian Civil Code were met, and in compliance with the Articles of Association, the option of approving the financial statements within 180 days of the end of the reporting year was exercised due to significant changes concerning in the group corporate structure which occurred during the course of the year, as described in the Report on Operations.

Form and content of the financial statements

The Financial Statements of CVA for the year ended 31 December 2024 have been prepared on the basis of the business operating as a going concern and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, as well as the legislative and regulatory provisions in force in Italy. IFRS refers to all the revised international accounting standards (IAS/IFRS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the Standing Interpretations Committee (SIC). In this regard, it is noted that the accounting standards and criteria applied to these financial statements comply with those adopted in the previous year, except for the "Accounting standards, amendments and interpretations approved and applied from 1 January 2023", to which reference is made.

The Company's Annual Financial Report has been prepared on a general historical cost basis, with the exception of items that under IFRS must or can be measured at *fair value*. The Annual Financial Statements for the year ended 31 December 2024 consist of the Statement of Financial Position, the Income Statement, the Statement of Other Comprehensive Income, Statement of Changes in Shareholders' Equity, the Cash Flow Statement and the Notes to the Annual Financial Statements. In accordance with IAS 1 (Presentation of Financial Statements), comparative information in the Financial Statements refers to the previous year, unless otherwise indicated. Where a better representation has required a different reclassification of the items in the financial statements, the comparative information has been adapted accordingly. The statements of financial position, the separate income statements, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows are presented in Euro (without cents) and the notes to these separate financial statements in thousands of Euro, unless otherwise indicated. It is specified that for the Statement of Financial Position the classification of assets and liabilities is carried out according to the "current/non-current" criterion with specific separation of assets and liabilities discontinued or destined to be sold.

An asset is considered current when:

- it is expected to be realised, or is held for sale or consumption, in the normal course of the operating cycle;
- it is held mainly for the purpose of negotiating it;
- it is expected to be realised within twelve months of the closing date of the year;
- it consists of cash or cash equivalents unless it is forbidden to exchange it or use it to settle a liability for at least twelve months from the closing date of the financial year.

All other assets are classified as non-current. Similarly, a liability is considered current when:

- it is expected to be settled in its normal operating cycle;
- it is held mainly for the purpose of negotiating it;
- it must be settled within twelve months of the closing date of the year;
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months of the closing date of the year.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified respectively as non-current assets and liabilities. The Income Statement is classified according to the nature of costs, as this form of presentation is considered more appropriate for representing the Company's specific business, complies with internal reporting procedures and is in line with the practices of the reference industrial sector. In addition to the Operating Result, the Income Statement shows the Gross Operating Margin obtained by subtracting total operating costs from total revenues. The Statements of Comprehensive Income include the profit or loss for the year as shown in the separate income statements and all other non-owner changes in equity; The Cash Flow Statement has been prepared by presenting cash flows from operating activities according to the "indirect method", as permitted by IAS 7 (Statement of Cash Flows). Furthermore, in the separate Income Statement, income and expenses relating to transactions, which by nature do not occur during normal operation (non-recurring transactions) have been specifically identified and their impact has been shown separately, when they are significant. In the financial statements, the amounts relating to positions or transactions with related parties have been shown separately.

Summary of accounting standards adopted

The accounting principles and valuation criteria adopted in the preparation of the CVA annual financial statements are consistent with those adopted in the preparation of the CVA Group's Consolidated Annual Financial Report, to which reference should be made, except for the recognition and valuation of investments in subsidiaries and associates. Investments in subsidiaries are valued in the Separate Financial Statements according to the purchase cost method, possibly reduced in the event of capital distribution, or in the presence of impairment losses determined by impairment testing. Should the portion of losses of the investee attributable to the Company exceed the carrying value of the investment, the value of the investment is set to zero, and the excess share of the loss is recognised among liabilities as a provision in the event the Company is responsible for said liability. The cost is restored in subsequent periods if the reasons for the impairment should cease to apply.

The companies in which CVA exercises control are controlled, as required by IFRS 10 - Consolidated Financial Statements, as it is exposed or entitled to variable returns deriving from its relation with the investee and at the same time has the ability to affect these returns by exercising its power over the entity itself. Investments in associated companies are recognised according to the equity method. The carrying value is therefore equal to the purchase cost adjusted for subsequent changes in the share of the investee's equity and written down for impairment losses. The companies in which CVA exercises significant influence are associated; significant influence means the power to participate in determining the financial and operating policies of the investee without having control or joint control.

Use of estimates

With reference to the use of accounting estimates in preparation of the annual financial statements of CVA, reference is made to as illustrated in the specific section of the notes to the Consolidated Annual Financial Report of the CVA Group.

Recently issued accounting standards

With reference to the implementation of the recently issued and applied accounting standards, reference is made to as illustrated in the specific section of the notes to the Consolidated Annual Financial Report of the CVA Group.

Information on the Income Statement of the Company

The breakdown of the main items of the Income Statement is provided below. The following tables, unless otherwise indicated, show the figures in thousands of Euro.

1. Revenues from sales and services

The breakdown of the item Revenues from sales and services is shown in the following table:

Amounts in Euro thousands	2024				2023			
	HYDROELECTRIC PRODUCTION	ENERGY EFFICIENCY	OTHER	TOTAL	HYDROELECTRIC PRODUCTION	ENERGY EFFICIENCY	OTHER	TOTAL
REVENUES FROM SALES AND SERVICES	341,767	2,633	10,926	355,327	265,903	98,605	9,735	374,243
Sale of electricity	319,216	-	-	319,216	259,563	-	1	259,564
Disposal of energy certificates/ securities	17,282	-	-	17,282	874	-	45	919
Fees for use of the system	4,968	-	-	4,968	5,172	-	-	5,172
Provision of services	302	2,633	10,926	13,862	295	98,605	9,688	108,589

Revenues from sales and services totalled Euro 355,327 thousand in 2024, a decrease of Euro 18,916 thousand compared to the previous year (Euro 374,243 thousand in 2023), mainly attributable to the sale of electricity and the provision of services. Revenues from the sale of electricity totalled Euro 319,216 thousand in the year 2024 (Euro 259,564 thousand in 2023) and are mainly composed of the sale of electricity to wholesalers, including CVA ENERGIE (Euro 318,664 thousand in 2024). The electricity sold in 2024 is entirely produced by hydropower plants. The increase in this revenue item is a consequence of the increase in production (about 3.1 GWh in 2024 versus about 2.5 GWh in 2023).

Amounts in GWh

Plant	Production (GWh)
AVISE hydropower plant	384
AYMAVILLES hydropower plant	34
BARD hydropower plant	25
CHAMPAGNE 1 hydropower plant	65
CHAMPAGNE 2 hydropower plant	145
CHAMPDEPRAZ hydropower plant	14
CHATILLON hydropower plant	87
CHAVONNE hydropower plant	128
COVALOU hydropower plant	163
GRAND EYVIA hydropower plant	6
GRESSONEY hydropower plant	19
HONE hydropower plant	107
HONE 2 hydropower plant	60
ISOLLAZ hydropower plant	114
ISSIME hydropower plant	15
LILLAZ hydropower plant	5
MAEN hydropower plant	102
MONTJOVET hydropower plant	198
NUS hydropower plant	23
PERRERES hydropower plant	27
PONT ST. MARTIN hydropower plant	181
QUART hydropower plant	199
QUINCINETTO 2 hydropower plant	111
SAINT CLAIR hydropower plant	168
SENDREN hydropower plant	31
SIGNAYES hydropower plant	229
VALPELLINE hydropower plant	334
VERRES hydropower plant	54
ZUINO hydropower plant	84
TOTAL PRODUCTION	3,112

Revenues from services amounted to Euro 13,862 thousand in the 2024 financial year (Euro 108,589 thousand in the 2023 financial year) and mainly include revenues from services outsourced to subsidiaries. The significant decrease in revenues generated, equal to Euro 94,766 thousand, is attributable to the significant downsizing of activities related to the energy retrofitting of the properties in which CVA assumed the role of General Contractor. It should be noted that, in accordance with the sections on "Summary of the Main Accounting Principles Adopted in the Preparation of the Financial Statements" and the use of "Significant Accounting Estimates", these revenues have been allocated between operating assets and the financial operations, by virtue of the financial transaction inherent in contracts with customers (related to deferred payment mechanisms). The revenue shown here therefore corresponds exclusively to what can be attributed to operating assets. These revenues, accrued on the progress of an obligation to do, were valued using the "output" method by taking as a reference the Work Progress States for which the right to invoice the customer contractually accrued.

To these was added a portion of revenues, which, in the absence of a certain right to invoicing by lacking customer approval on the Progress States, were recognised up to the amount of the external costs incurred (thus without recognition of margins).

The "Sale of energy certificates/securities" equal to Euro 17,282 thousand in 2024 (Euro 919 thousand in 2023) includes the proceeds from the sale of guarantee of origin certificates ("GO" Certificates) to CVA ENERGIE. The significant difference between the 2024 financial year (Euro 17,282 thousand) and the 2023 financial year (Euro 919 thousand) is mainly attributable to two factors: the increase in the market price of Guarantee of Origin (GO) Certificates, which led to a higher unit value of sales and the deferral to 2024 of the transfer of a part of the GOs accrued in 2023, with the consequent recognition of the related income in the following financial year.

Revenues also include the item 'Fees for use of the system' which in turn comprises the fees received from CVA ENERGIE and related to the latter's participation in the capacity market, for which in 2022 it was the successful bidder in the Capacity Market auctions, by offering the production capacity of CVA plants as the dispatching manager. The agreements between the parties foresaw, in the event of the award, a payment to CVA of a consideration equal to 50% of the net consideration received from CVA ENERGIE. For 2024, these fees amounted to Euro 4,968 thousand.

2. Other operating revenues and income

The breakdown of the item "Other operating revenues and income" is shown in the following table:

Amounts in Euro thousands	2024				2023			
	HYDROELECTRIC PRODUCTION	ENERGY EFFICIENCY	OTHER	Total	HYDROELECTRIC PRODUCTION	ENERGY EFFICIENCY	OTHER	Total
OTHER OPERATING REVENUES AND INCOME	4,919	246	1,645	6,810	914	205	2,300	3,419
Operating contributions	4,502		(33)	4,469		9	234	243
Leases of properties			1,399	1,399			1,440	1,440
Capital contributions	42		37	79	30		39	69
Others	375	246	242	863	884	196	587	1,667

The item Operating contributions for the year amounted to Euro 4,469 thousand in 2024 (Euro 243 thousand in 2023) and includes the GRIN incentives received from GSE on hydroelectric production. The unit value of the incentive is established annually by the GSE on the basis of the provisions of Ministerial Decree 6 July 2012 as amended and for the year 2024 was equal to Euro 42.15/MWh. For the year 2023, however, there were no operating contributions relating to this form of incentive, as the unit value was nil as a result of the mechanism that inversely correlates it to the market prices of the previous year, which stood at particularly high levels.

The item leases of properties amounted to Euro 1,399 thousand in 2024 (Euro 1,440 thousand in 2023). This item mainly refers to the lease income from the real estate units owned by CVA site in various Municipalities of Valle d'Aosta. Euro 856 thousand in lease payments received from related parties of CVA, also including Group companies. Pursuant to IFRS 16, the contracts have all been classified as operating leases. Capital contributions relate primarily to the accrued portion of tax benefits on investments.

The item "other revenues" amounted to Euro 863 thousand in 2024 (Euro 1,667 thousand in 2023), and consists of the following:

Amounts in Euro thousands	2024	2023
Other revenues and income	863	1,667
Insurance refunds, indemnities and penalties receivable	317	578
Refunds for water abstraction	165	238
Awards given to suppliers	75	1
Fees for precarious concessions and third-party power plant maintenance	74	74
Fibre optic maintenance fees TIM (formerly RAVA)	70	70
Proceeds from the sale of miscellaneous material	29	303
Contingent assets	-	32
Trigeneration Plant Lease	-	196
Others	134	175

Indemnities refer to insurance reimbursements and settlements for damages incurred and penalties applied to suppliers.

Reimbursements for drawing water are equal to the amounts owed by the ski lift operating companies for drawing the water needed for snowmaking. Bonuses recognised to suppliers, amounting to Euro 75 thousand in 2024 (Euro 1 thousand in 2023), represent economic incentives paid in consideration for the achievement of specific contractual or performance objectives, such as the quality of the service rendered, compliance with delivery schedules or operating efficiency. The increase over the previous financial year reflects a higher incidence of such bonus arrangements, in line with the company's policies of enhancing strategic supply relationships.

The fees for precarious concessions and central maintenance of third parties are due for the use of the Bard power plant's drainage installations and the related charge-back of maintenance expenses in addition to the fees received for the maintenance of some power stations located in the municipalities of Pontey, Gressoney-La Trinité, Antey S. André, Cogne and Issogne.

Fibre optic maintenance fees are equal to the annual fee received from TIM S.p.A for the maintenance of the fibre optic network owned by the Region, the costs of which are borne by CVA together with the maintenance costs for the part of the network owned by it.

Proceeds from the sale of miscellaneous material refer mainly to the sale of the IVECO 180 truck.

3. Costs for raw materials and services

Costs for raw materials and services totalled Euro 30,657 thousand in 2024 (Euro 103,897 thousand in 2023) and the breakdown is as follows:

<i>Amounts in Euro thousands</i>	2024	2023
COSTS FOR RAW MATERIALS AND SERVICES	30,657	103,897
Costs for raw materials	2,655	3,001
Costs for services	27,308	100,538
Costs for rents and leases	693	358

Costs for raw materials

The breakdown of the item "costs for raw materials" is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
COSTS FOR RAW MATERIALS	2,655	3,001
Raw and ancillary materials and consumables	1,245	1,521
Electricity for auxiliary services	1,154	1,259
Others	257	221

Expenses for purchases of raw materials, ancillary materials, consumables and goods amounted to Euro 1,245 thousand in 2024 (Euro 1,521 thousand at the end of the previous year). This item includes expenses typically related to plant components.

Energy for auxiliary services represents the expense for the purchase of energy for the operation of the plants and is decreased due to the decrease in raw material prices.

Expenses for other raw materials are made up of the costs for the purchase of fuels used by the company's fleet of vehicles and by the generators of hydroelectric plants (necessary to supply the auxiliary services of the plant in the event of the lack of other sources of power) and the costs for the imbalances between the energy fed into the network and that declared in the programs communicated to Terna.

Costs for services

The breakdown of the item "costs for services" is shown in the following table:

Amounts in Euro thousands	2024	2023
Costs for services	27,308	100,538
Maintenance	5,219	2,642
Commercial, legal, administrative consultancy	4,578	3,237
Insurance	4,553	2,451
Professional subcontracting contracts for energy efficiency	2,624	83,188
Costs for ICT services - IT services	2,048	1,857
Regarding personnel	1,237	1,262
Telephone and data transmission services	1,214	1,155
Representation	1,146	953
Professional services	1,168	925
Advertising	615	495
Car park management expenses	575	458
Fees for Directors, Auditors, SB and Independent Auditors	518	377
Utilities (water, gas, electricity)	398	350
Business trips and transfers	109	65
Services from Group Companies	20	1
Costs for bank and postal services	16	18
Other costs for services	1,270	1,104

The breakdown of the individual items mainly consists of:

- **maintenance:** amounted to Euro 5,219 thousand (Euro 2,642 thousand in 2023). They include the costs of maintaining machinery, plant and property. The increase is mainly attributable to maintenance works on hydraulic and civil plants for Euro 1,464 thousand concerning, among others, the cleaning of the Aymavilles and Valpelline diversion canal, the anti-corrosion treatment of the Signayes pipeline, and the restoration of damage caused by critical weather conditions that affected the Signayes plant;
- **commercial, legal and administrative consultancy:** these amount to Euro 4,578 thousand (Euro 3,237 thousand in the previous financial year) and include all the costs for external consultancy on legal, tax and administrative matters. The increase recorded compared to the previous financial year is mainly attributable to strategic, legal, tax, and administrative due diligence activities;
- **costs for insurance services:** amounted to Euro 4,553 thousand (Euro 2,451 thousand in 2023), arising mainly from charges for 'All Risk' insurance coverage of the plants, totalling Euro 1,804 thousand, an increase of Euro 452 thousand due to the trend in insurance coverage prices. Miscellaneous insurance costs totalled Euro 1,715 thousand (Euro 298 thousand in 2023), with an increase of Euro 1,417 thousand attributable to the inclusion of premium adjustments for policies associated with the Superbonus within the costs. Premiums due for third-party liability coverage increased from Euro 800 thousand in 2023 to Euro 1,027 thousand in the current financial year due to the underwriting of new insurance policies;
- **professional subcontracting contracts for energy efficiency in the amount** of Euro 2,624 thousand (Euro 83,188 thousand in 2023). This item, to which the decrease recorded in the year in the cost of services is substantially attributable, included charges for services subcontracted as part of the civil building redevelopment activities on behalf of third parties. The significant reduction is mainly attributable to the change in the 110% Superbonus rules, which led to a sharp reduction in orders in this area;
- **costs for Information & Communication Technology services:** amounted to Euro 2,048 thousand (Euro 1,857 thousand in 2023). They refer to the assistance services of IT systems, hardware and software maintenance;
- **personnel-related costs:** these include charges relating to personnel management and all costs for services provided to all employees. They amounted to Euro 1,237 thousand (Euro 1,262 thousand in the past year) referable for Euro 728 thousand to catering services, for Euro 28 thousand to administrative consultancy regarding personnel, for Euro 290 thousand to expenses related to the participation and organisation of training activities for employees, for Euro 68 thousand to medical expenses and for Euro 77 thousand to services recognised to temporary employment agencies;

- **telephone expenses and data transmission services:** amounted to Euro 1,214 thousand (Euro 1,155 thousand in 2023). These refer to fees and maintenance of fixed and mobile telephone networks;
- **entertainment expenses:** these amount to Euro 1,146 thousand, an increase compared to Euro 953 thousand in the previous year. These are costs incurred mainly for initiatives to improve corporate image in the target territory;
- **professional services** for a total of Euro 1,168 thousand (Euro 925 thousand in 2023), attributable, inter alia, to:
 - professional services and technical consultancy for Euro 789 thousand;
 - costs for laboratory research and analysis activities for Euro 344 thousand;
 - costs for miscellaneous technical services for Euro 17 thousand;
 - expenses for environment study services for Euro 24 thousand;
- **expenses for Advertising:** amounted to Euro 615 thousand (Euro 495 thousand in 2023). They refer to advertisements in major industry and local newspapers, sponsorship of events, as well as social campaigns on major social networks;
- **expenses for car park management:** totalled Euro 575 thousand (Euro 458 thousand in 2023) and refer to repairs, maintenance, motorway tolls of company cars as well as the fleet management service included in the rental of the company fleet;
- **costs for fees paid to directors, statutory auditors, supervisory body and Independent Auditor:** totalled Euro 518 thousand (Euro 377 thousand in the previous year) and refer to:
 - for Euro 151 thousand to the expense for the fees due to the members of the Board of Directors;
 - for Euro 84 thousand to the expense for the fees due to the members of the Board of Statutory Auditors;
 - for Euro 12 thousand to the expense for emoluments due to the members of the Supervisory Body;
 - for Euro 270 thousand to costs for the work performed by the independent auditors;
- **utility expenses:** these amounted to Euro 398 thousand (compared to Euro 350 thousand in 2023) and include the costs of all active utilities, such as electricity, water and gas, serving capital and non capital buildings;
- **travel expenses of employees and temporary workers** for Euro 109 thousand;
- **services from Intra-Group companies** for Euro 20 thousand: these refer to technical and other intercompany services;
- expenses for banking and postal services for Euro 16 thousand;
- **costs for other services:** amounted to Euro 1,270 thousand (Euro 1,104 thousand in the previous year) and refer to all other services used by the Company, including:
 - costs for services on internal and external areas related to snow removal, greening and other activities for Euro 295 thousand;
 - the fee to cover the management fees for the incentives due to GSE S.p.A., according to Art. 21, paragraph 5 of Ministerial Decree 06/07/2012, for Euro 160 thousand;
 - expenses for waste disposal of Euro 241 thousand;
 - the costs incurred for the transport service of persons and/or materials by means of the use of qualified helicopters in places not reached by the road network for Euro 187 thousand;
 - costs for the analysis activity aimed at the attribution of a financial reliability rating for Euro 125 thousand;
 - fees for access to portals and databases of various kinds amounting to Euro 107 thousand;
 - expenses for event organization of Euro 69 thousand.

Costs for rents and leases

At 31 December 2024, costs for rents and leases amounted to Euro 693 thousand (Euro 358 thousand in 2023) and are detailed as follows:

<i>Amounts in Euro thousands</i>	2024	2023
COSTS FOR RENTS AND LEASES	693	358
Software licence fees	529	313
Car park rental fees	43	24
Others	119	21

The costs recorded in this item correspond to rentals on contracts excluded from the scope of application of IFRS 16 because they do not meet the requirements to be defined as leases or because, although classified as such, they have been excluded due to their duration of less than 12 months or their low unit value. Non-lease components (mainly non-deductible VAT) of lease contracts subject to IFRS 16 are also recorded in this item.

4. Personnel costs

The breakdown of personnel costs is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
PERSONNEL COSTS	34,673	30,954
Wages and salaries	23,490	21,821
Social security contributions	7,694	7,032
Employee severance indemnity and other employee benefits	2,626	1,362
Other personnel costs	864	738

The item "personnel costs" totalled Euro 34,673 thousand in 2024 (Euro 30,954 thousand in 2023). The changes in the year are mainly attributable to the following aspects:

- the increase in the average number of employees;
- the provision of the performance bonus;
- the provision of the L.T.I. bonus. (Long Term Incentive);
- the application, with effect from July and October 2024, of the new contractual minimums as set out in the renewal of the collective agreement for the electricity sector;

Other personnel costs mainly include costs for supplementary health funds and insurance coverage offered to employees. The table below shows the average number of employees during the years under review, broken down by category:

UNITS	2024	2023
Executives	6	4
Managers	45	43
Clerks	279	261
Workers	129	130
TOTAL	459	438

5. Other operating costs

At 31 December 2024, other operating costs amounted to Euro 48,914 thousand (Euro 80,635 thousand in 2023) and are broken down as follows:

Amounts in Euro thousands	2024	2023
OTHER OPERATING COSTS	48,914	80,635
Fees for the derivation of water for hydroelectric use	46,137	43,740
Stamp duties, levies and various taxes	899	862
Other contributions	472	34,555
Other sundry expenses	1,407	1,477

The item "fees for the derivation of water for hydroelectric use", equal to Euro 46,137 thousand in 2024 (Euro 43,740 thousand in 2023), includes the fees for hydroelectric use of water (state, waterways and mountain catchment basins) due, based on the relevant legislation, to the Region and other public bodies such as the Municipalities of Val d'Aosta and the Province of Turin for the derivation of water. The increase recorded is the result of the general increase in tariffs decided by the competent authorities.

In the previous year, the item other contributions mainly included contributions due to the GSE pursuant to Art. 1, paragraph 30 Law 197/22 and Art. 15-bis of DL 4/22. These regulations established a ceiling on revenues from the production of electricity from renewable sources, through a compensation mechanism, applicable to the energy fed into the grid by the plants; the 2024 amount refers to various contributions due to the regulatory authorities Registro Italiano Dighe (Italian National Registry of Dams), AGCM, ARERA and contributions to other smaller entities.

The item "stamp duties, levies and various taxes" amounted to Euro 899 thousand in 2024 (Euro 862 thousand in 2023) and includes municipal taxes and fees, including IMU (property tax), as well as registration tax and stamp duty.

The item "Other sundry expenses" mainly includes membership fees due to institutions of interest (Confindustria, ITCOLD, Elettricità Futura, Utilitalia, Confservizi, and the H2 AGICI-FIC Observatory) in the amount of Euro 389 thousand, as well as the annual contribution due to the Regional Consortium for Fisheries Protection for Euro 476 thousand.

6. Capitalised days of work

At 31 December 2024, capitalised days of work correspond to a revenue of Euro 1,390 thousand (Euro 1,610 thousand in 2023) and derive from the capitalisation of costs for materials used and labour services of employees engaged in the execution of works and extraordinary maintenance on plants.

7. Amortisation/Depreciation

At 31 December 2024, amortisation/depreciation amounted to Euro 27,716 thousand (Euro 26,009 thousand in 2023) and are broken down as follows:

Amounts in Euro thousands	2024	2023
AMORTISATION/DEPRECIATION	27,716	26,009
Proprietary tangible assets	26,314	24,809
Proprietary intangible assets	852	882
Rights of use on tangible assets	541	311
Rights of use for intangible assets	8	7

The increase recorded is mainly attributable to the reduction in the useful life of extraordinary maintenance works incurred for the benefit of freely transferable works.

8. Provisions and write-downs

The item "Provisions and write-downs" amounted to Euro 70 thousand and consisted of:

- the release of the bad debt provision previously set aside for bad debt risk (Euro 149 thousand);
- the write-down of abandoned projects and works (Euro 79 thousand).

9. Financial income

The breakdown of financial income is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
FINANCIAL INCOME	80,355	117,854
Financial income from Group companies and/or related parties	36,623	27,406
Dividends	29,401	80,242
Income from equity investments	192	467
Other financial income	14,139	9,739

Dividends are broken down as follows:

<i>Amounts in Euro thousands</i>	2024	2023
Dividends	29,401	80,242
CVA Energie	28,000	79,500
Valdigne	1,221	562
Other companies	180	180

Financial income from Group companies and related parties amounted to Euro 36,623 thousand in 2024 (Euro 27,406 thousand in 2023). This income includes the interest income received for long and short-term loans (multi-year loans and credit openings on the centralised treasury current account) granted to Group companies (subsidiaries and associates).

Other financial income amounted to Euro 14,139 thousand in 2024, showing an increase compared to 2023 (Euro 9,739 thousand). This growth was mainly attributable to higher market interest rates and active management of corporate cash. The main components of the Item are as follows:

Interest income on bank deposits (Euro 8,209 thousand): represents the portion of interest accrued on current accounts and time bank deposits. This income increased significantly compared to the previous year due to higher interest rates and more liquidity invested with banking institutions.

Interest income on trade receivables (Euro 4,451 thousand): arises from the application of the amortised cost criterion to trade receivables, which results in the recognition of financial income due to the difference between the nominal value and the current value of the receivables. This is, in essence, implicit interest accrued on sales with deferred payment.

Income from repurchase agreements (Euro 658 thousand): this includes income from short-term financial transactions, in which the company temporarily sells securities in exchange for a commitment to repurchase. These transactions, typical of treasury management, allow for the optimisation of the profitability of cash at hand.

Income on capitalisation insurance policies (Euro 381 thousand): this refers to returns accrued on life insurance policies or financial insurance instruments held for investment purposes. These instruments generate periodic interest, which is recognised as financial income.

Other financial income (Euro 440 thousand): this includes residual items such as interest on loans granted to personnel, income from derivative financial instruments not covered by hedge accounting, and other financial income not classifiable in the previous categories.

10. Financial expenses

The breakdown of financial expenses is shown in the following table:

Amounts in Euro thousands	2024	2023
FINANCIAL EXPENSES	28,349	3,182
Interest expense on bank loans	24,355	1,167
Financial expenses to Group companies and related parties	1,424	32
Financial expenses on bonds	471	470
Interest expense on leases	59	26
Gains on investments	-	-
Other financial expenses	2,041	1,487

Interest expense on bank loans accrued in 2024 amounted to Euro 24,355 thousand (Euro 1,167 thousand in 2023). This item also includes charges related to the application of the amortised cost method to bank loans and the effects of the related IRS hedges. Financial expenses towards Intra-Group companies and related parties amounted to Euro 1,424 thousand in 2024, a significant increase compared to the amount of Euro 32 thousand recognised in 2023. This increase is mainly attributable to interest expense accrued on intra-group current accounts held by the subsidiaries CVA Energie, CVA EOS and Valdigne Energie, within the framework of cash pooling arrangements.

Mainly:

- the current account relationship with the company CVA Energie generated interest expense equal to Euro 1,198 thousand in 2024;
- the current account relationship with the company CVA EOS generated interest expense equal to Euro 66 thousand in 2024;
- the current account relationship with the company Valdigne Energie generated charges equal to Euro 107 thousand in 2024.

These amounts result from negative balances on intra-group current accounts, which are settled at market conditions, and reflect centralised liquidity management at group level. The item also includes interest expense on leasing contracts with related parties for Euro 51 thousand (Euro 13 thousand in 2023), accounted for pursuant to IFRS 16, relating to assets in use, granted by related parties.

The breakdown of financial charges on bonds is shown in the following table:

Amounts in Euro thousands	2024	2023
FINANCIAL EXPENSES ON BONDS	471	470
Interest expense on bonds nov. 2028	560	559
Amortised cost charges	(89)	(89)

Other financial expenses mainly comprise interest expense and commission expenses on bank loans.

11. Income taxes

Income taxes amounted to Euro 69,680 thousand in 2024 (Euro 46,295 thousand in 2023) and are composed as follows:

- current taxes of Euro 69,541 thousand in 2024 (Euro 45,625 thousand in 2023) of which Euro 58,860 thousand for IRES and Euro 10,681 thousand for IRAP;
- deferred tax assets and liabilities for Euro 3,880 thousand in 2024 (Euro 839 thousand in 2023);
- previous years' taxes for Euro 2,920 thousand, reducing the 2024 cost (Euro 65 thousand reducing the cost in 2023). These taxes mainly correspond to the changes recorded between the taxes estimated in the 2023 budget and those actually determined on the return;
- other tax charges / (income) for Euro 820 thousand as a reduction of cost in the 2024 financial year (Euro 105 thousand as a reduction of cost in the 2023 financial year), attributable to income from participation in the tax consolidation scheme.

The following statement shows the reconciliation between the IRES ordinary rate and effective rate in relation to current taxes:

IRES - Reconciliation between theoretical and effective tax expense	Notes	2024	2023
Pre-tax result (Euro thousands)	[A]	273,643	252,172
Theoretical tax expense	[B]	65,672	60,521
Temporary differences taxable in subsequent years	[C]	(3,073)	(3,391)
Temporary differences deductible in subsequent years	[D]	2,318	872
Reversal of taxable temporary differences from previous years	[E]	-	279
Reversal of deductible temporary differences from previous years	[F]	(1,611)	(1,687)
Permanent differences	[G]	(26,028)	(74,488)
Taxable amount	[A+C+D+E+F+G]	245,248	173,758
Current taxes	[H]	58,860	41,702
Effective rate	[I]	21.51%	16.54%
Extraordinary income taxes	[L]	-	-
Adjusted IRES rate	[M]	21.51%	16.54%

The effective IRES rate is significantly lower than the theoretical rate due to permanent downward differences mostly attributable to the non-taxable portion (95%) of dividends received during the year. The reconciliation between the IRAP ordinary rate and the effective rate is not significant. Please refer to Note 17 for details of the composition and changes in deferred tax assets and liabilities.

Information on the Company's Statement of Financial Position

Below is a breakdown of the composition of the main items of the Company's equity and financial position. The following tables, unless otherwise indicated, show the figures in thousands of Euro.

12. Tangible assets

Tangible assets totalled Euro 292,350 thousand at 31 December 2024 (Euro 292,468 thousand at 31 December 2023).

Tangible assets are all the proprietary tangible assets and the rights of use on tangible assets. Their breakdown and changes are shown in the table below:

<i>Euro thousands</i>	Proprietary tangible assets	Rights of use on tangible assets	Total
Historical cost	692,864	2,963	695,827
Provisions for amortisation	(402,436)	(923)	(403,359)
NET VALUE AT 31.12.2023	290,428	2,041	292,468
Increases	25,040	2,224	27,265
Amortisation/Depreciation	(26,314)	(541)	(26,856)
Reclassifications	(498)	-	(498)
Disposals	(144)	-	(144)
Other changes		125	125
Changes in Accumulated amortisation for concluded contracts		494	494
Changes in Right of use for concluded contracts		(213)	(213)
TOTAL NET CHANGES IN 2024	(1,915)	1,797	(118)
Historical cost	716,857	4,808	721,665
Provisions for amortisation	(428,345)	(970)	(429,315)
NET VALUE AT 31.12.2024	288,512	3,838	292,350

The breakdown and change in proprietary tangible assets is shown in the following table:

<i>Euro thousands</i>	Land	Buildings	Plants and machinery	Industrial and commercial equipment	Other assets	Leasehold improvements	Tangible assets in progress and advances	Total
Historical cost	6,945	76,866	577,614	3,499	12,086	232	15,622	692,864
Provisions for amortisation	(29)	(33,252)	(356,406)	(2,803)	(9,828)	(119)		(402,436)
Net value at 31.12.2023	6,916	43,614	221,208	696	2,258	113	15,622	290,428
Increases							25,040	25,040
Amortisation/Depreciation		(2,019)	(23,089)	(148)	(1,015)	(43)		(26,314)
Reclassifications	328	1,972	10,629	210	1,049	10	(14,299)	(102)
Disposals	(1)	(18)	(3)	(18)	(2)		(102)	(144)
Other changes	(194)	(201)						(395)
Total net changes in 2024	133	(267)	(12,463)	44	31	(33)	10,640	(1,915)
Historical cost	7,077	78,343	588,171	3,671	13,092	242	26,262	716,857
Provisions for amortisation	(28)	(34,995)	(379,426)	(2,932)	(10,803)	(162)		(428,345)
Net value at 31.12.2024	7,049	43,348	208,745	739	2,289	80	26,262	288,512

The residual value of fixed assets as at 31 December 2024 (Euro 288,512 thousand) does not show any significant deviations compared to the value recorded as at December 2023 (Euro 290,428 thousand). The change that occurred is in fact caused by an overall decrease of Euro 1,915 thousand, which represents a 1% deviation compared to 31/12/2023. Amortisation and depreciation for the year, equal to Euro 26,314 thousand, was higher than capital expenditure of Euro 25,040 thousand. In accordance with IFRS 5, the values of assets held for sale are no longer included in property, plant and equipment, but are presented separately. In particular, the value of land and buildings available for sale amounts to Euro 395 thousand (item Other changes in the table above) and the completion of the sale, which is highly probable, is expected within one year of the new classification. In addition to the decrease in the value of fixed assets arising from assets held for sale, divestments of Euro 144 thousand were also carried out.

The following table summarises the main investments made during the year:

<i>Euro thousands</i>	Assets in progress at the beginning of the year	Net new investments	Recovery of advances	Assets commissioned	Assets under construction at year end
Office Buildings - Chatillon - extraordinary maintenance (main activity energy retrofitting)	472	2,559	-	(602)	2,430
Hydrogen Project	-	1,977	-	-	1,977
Chavonne Plant - Canal waterproofing renovation and plant upgrading	2,990	1,886	-	(498)	4,377
Champagne 2 plant - extraordinary maintenance (main object: extraordinary maintenance shunt canal-overhaul turbines)	552	1,639	(0)	(1,648)	543
Quart plant - extraordinary maintenance (main object: Reclamation and new coating (central shell))	437	1,572	-	(830)	1,179
Avise plant - extraordinary maintenance (main object: new HV switches)	70	1,064	-	(408)	726
Hone 2 Plant - Plant renovation and extraordinary maintenance (shunt canal)	2,773	1,024	(17)	(756)	3,023
Gabiet Dam - Extraordinary maintenance (main object: new closing devices and restoration of dam walls)	90	945	-	(742)	293
Capital buildings - Aosta - extraordinary maintenance	679	893	-	(530)	1,042
Signayes plant - extraordinary maintenance (main object: loading tank and cracked cable inside the canal)	53	887	-	(786)	154
Valpelline plant - Plant Renovation	83	716	-	(85)	714
Champagne 1 Plant - extraordinary maintenance (main object: new impellers and restoration of loading tank drainage)	162	659	-	(626)	195
Isollaz plant - extraordinary maintenance	16	636	(1)	(307)	344
Saint Clair plant - extraordinary maintenance (main object: automation - turbine regeneration - canal restoration)	1,508	611	-	(1,626)	493

<i>Euro thousands</i>	Assets in progress at the beginning of the year	Net new investments	Recovery of advances	Assets commissioned	Assets under construction at year end
Maen plant - extraordinary maintenance (main object: Perreres dam desilting)	2	510	-	(25)	487
Covalou Plant - Extraordinary maintenance (main object: Replacement of TR OFWF exchangers)	200	477	-	(350)	327
Pont-Saint-Martin plant - plant renovation (main object: new turbine shaft and plant automation)	184	311	(1)	(331)	163
Dam guard houses - main object: seismic retrofitting	768	378	-	(792)	354
Renewal of network equipment and alarm and security systems	469	203	(1)	(521)	151
Other hydroelectric plants - revamping plants	2,320	1,684	-	-	4,005
Other hydroelectric power plants - extraordinary incremental maintenance	788	1,906	(83)	(1,341)	1,271
Other investments	1,008	2,502	-	(1,495)	2,014
TOTAL	15,622	25,040	(102)	(14,299)	26,262

Assets in progress and advances on tangible assets, which amounted to Euro 26,262 thousand at the end of 2024, were Euro 15,622 thousand at 31 December 2023. New investments amounted to Euro 25,040 thousand, of which the assets completed and entered into service during 2024 amounted to Euro 14,299 thousand. The main investments of the year 2024 concerned:

- the headquarters and adjacent office buildings located in Chatillon for various energy retrofitting activities for an amount equal to Euro 2,559 thousand. These are mainly related to seismic and energy efficiency work on the CVA buildings located at Via Stazione 30/32. During the year, the renovation works on the headquarters' air conditioning system were completed with the installation of 2 heat pumps for a total of Euro 516 thousand;
- the design and construction of the renewable hydrogen production plant. This is an activity that falls within the scope of the National Recovery and Resilience Plan (NRRP) involving the construction of a hydrogen plant, located in industrial areas, which is financed by the European Union. During the year, investments made amounted to Euro 1,977 thousand compared to total planned work of Euro 10,335 thousand. The hydrogen plant is scheduled to be commissioned by 30/04/2026;
- the Chavonne plant for which refurbishment and canal waterproofing works continued for Euro 1,084 thousand and Euro 707 thousand, respectively. Work was also completed on the risk reduction along the diversion canal for Euro 381 thousand;
- the Champagne 2 plant for an amount equal to Euro 1,639 thousand mainly relating to the overhaul of the turbines and rotary valves (Euro 1,106 thousand) and the completion of the works for the redevelopment of the diversion canal (Euro 533 thousand). During the year, the extraordinary hydraulic maintenance of unit 2 was completed, referring in particular to the overhaul of the injectors and closing parts (Euro 989 thousand), the waterproofing of the diversion canal was completed (Euro 220 thousand), and the cracked cable was installed inside the tunnel channel to ensure communications with the outside (Euro 304 thousand);
- the Quart plant which was affected by new investments, for an amount equal to Euro 1,572 thousand, mainly referred to the remediation and coating of the engine room canopy in the power plant. In April 2024, the new Francis impeller of gr. 1 entered into service (Euro 280 thousand) and extraordinary maintenance work was carried out on the unit's turbine itself, which became necessary following the replacement of the impeller (Euro 312 thousand);
- the Avise plant, for an amount equal to Euro 1,064 thousand, mainly relating to the installation of new high voltage circuit breakers (Euro 387 thousand) and the renewal of automation systems in the power plant;
- the Hone 2 plant, where renovation works continued for Euro 774 thousand in addition to the purchase of new land, for an amount equal to Euro 467 thousand, preparatory to the works for the construction of the new canal;
- the Gressoney plant, for an amount equal to Euro 945 thousand which involved the replacement of the butterfly valves at the head of the pipeline at the Gabiet dam, at the bottom of the dam. This was a major activity, the execution of which involved draining the basin for about a month and required making it hydraulically safe;
- certain buildings located in Aosta where investments amounted to Euro 893 thousand and included various activities, including the revamping of the air conditioning system of the buildings in Via Clavalité, where the offices leased to the subsidiaries CVA Energie S.r.l. and Deval S.p.A. are located, the renovation of the roof and gutters of the warehouse in Via Monte Emilius, leased to Deval S.p.A., and the fireproofing of the building in Via Piave, where the regional offices are located, leased to the Autonomous Region of Valle d'Aosta;

- the Signayes plant for an amount equal to Euro 887 thousand with reference to which assets for a value of Euro 786 thousand came into operation, mainly relating to the restoration of the loading tank slab, the installation of the new loading tank screen and the positioning of the cracked cable inside the canal.

13. Intangible assets

Intangible assets totalled Euro 3,505 thousand at 31 December 2024 (Euro 3,467 thousand at 31 December 2023).

Intangible assets consist of all the proprietary intangible assets and the rights of use on intangible assets. Their breakdown and changes are shown in the table below:

Euro thousands	Proprietary intangible assets	Rights of use for intangible assets	Total
Historical cost	19,976	68	20,043
Provisions for amortisation	(16,548)	(28)	(16,576)
Net value at 31.12.2023	3,428	40	3,467
Increases	770	13	783
Amortisation/Depreciation	(852)	(8)	(860)
Reclassifications	102		102
Disposals	-		-
Other changes	-	12	12
Changes in Accumulated amortisation for concluded contracts			
Changes in Right of use for concluded contracts	-	-	-
Total net changes in 2024	21	16	37
Historical cost	20,849	92	20,941
Provisions for amortisation	(17,400)	(37)	(17,436)
Net value at 31.12.2024	3,449	56	3,505

In 2024, there was an overall net increase in intangible assets of Euro 37 thousand, attributable to both owned intangible assets and rights of use. Investments totalling Euro 770 thousand contribute to the determination of the intangible assets owned, which include the acquisition of:

- new software as part of the group's digital transformation programme;
- asset management software to improve the management of production facilities;
- software to support the management of the group's wind and photovoltaic plants, by forecasting their production.

In addition, investments were made in the construction of lithium battery storage systems for *stationary storage* and in storage systems with second life *batteries*.

<i>Euro thousands</i>	Industrial patents and intellectual property rights	Concessions, licenses, trademarks and similar rights	Intangible assets in progress and advances	Other intangible assets	Total
Historical cost	16,619	158	1,055	2,145	19,976
Provisions for amortisation	(14,863)	(147)		(1,538)	(16,548)
Net value at 31.12.2023	1,756	11	1,055	607	3,428
Increases			770		770
Amortisation/Depreciation	(716)	(11)		(125)	(852)
Reclassifications	433		(345)	14	102
Disposals					
Other changes					
Total net changes in 2024	(283)	(11)	425	(111)	21
Historical cost	17,052	158	1,480	2,159	20,849
Provisions for amortisation	(15,579)	(158)		(1,663)	(17,400)
Net value at 31.12.2024	1,473	-	1,480	496	3,449

14. Rights of use of tangible and intangible assets and related financial liabilities

At 31 December 2024, rights of use on tangible and intangible assets amounted to Euro 3,894 thousand. The following table summarises the breakdown and movements during the year, as well as the movements of the related financial liabilities recorded in the balance sheet liabilities:

<i>Euro thousands</i>	Intangible rights of use	Tangible rights of use			Total
	Building rights and easement fees	Rights of use on real estate	Rights of use on industrial and commercial equipment	Rights of use on other assets	
RIGHTS OF USE					
Opening value of right of use	68	1,417	167	1,379	3,031
Accumulated amortisation	(28)	(41)	(96)	(786)	(951)
Net value at 31.12.2023	40	1,376	71	593	2,080
Increases for new contracts	13	427	-	1,797	2,237
Decreases due to contract termination	-	(3)	-	(288)	(292)
Amortisation/Depreciation	(8)	(191)	(60)	(291)	(550)
Change Accumulated amortisation for concluded contracts	-	1	-	493	494
Change in Right of use for concluded contracts	-	-	-	(213)	(213)
Reclassifications	-	-	-	-	-
Other changes	12	9	108	7	136
Total net changes in 2024	16	244	49	1,505	1,814

Euro thousands	Intangible rights of use	Tangible rights of use			Total
		Rights of use on real estate	Rights of use on industrial and commercial equipment	Rights of use on other assets	
RIGHTS OF USE	Building rights and easement fees				
Closing value of right of use	92	1,850	276	2,682	4,900
Provisions for amortisation	(37)	(230)	(156)	(584)	(1,006)
Net value at 31.12.2024	56	1,620	120	2,099	3,894

Euro thousands	Intangible rights of use	Tangible rights of use			Total
		Rights of use on real estate	Rights of use on industrial and commercial equipment	Rights of use on other assets	
Financial liabilities	Building rights and easement fees				
Residual capital portion at 31.12.2023	41	1,342	60	590	2,033
Accrued interest to 31.12.2023	1			1	2
Total financial liability 2023	42	1,343	60	591	2,035
Increases for new contracts	13	427	-	1,797	2,237
Decreases due to contract termination	-	(2)	-	(6)	(9)
Increases/(decreases) due to changes in fees	12	9	108	6	135
Installments paid in the year	(10)	(228)	(60)	(295)	(593)
Capital portion	(8)	(164)	(61)	(285)	(518)
Interest	(2)	(65)	(1)	(41)	(109)
Residual capital portion at 31.12.2024	58	1,613	107	2,101	3,879
Accrued interest	1	1		1	3
Total financial liability 2024	58	1,615	107	2,102	3,882

Summary economic effects AMOUNTS IN EuroO THOUSANDS	SURF. RIGHTS AND EASEMENTS	RIGHTS OF USE ON REAL ESTATE	RIGHTS OF USE ON IND. AND COMM. EQUIPMENT	RIGHTS OF USE ON OTHER ASSETS	Total
Accrued interest	2	66	1	41	110
Amortisation/Depreciation	8	191	60	291	550
Non lease component	-	-	-	26	26
Total costs on the income statement 2024	8	56	61	242	368

Rights of use of properties primarily express the value of leases of real estate, surface rights, equipment rental and motor vehicles. With reference to financial liabilities, the table below shows their maturity by bracket and the related expected financial outlay:

Maturity Analysis Thousands of Euros	Within 1 year	more than 1 year, but within 5 years	More than 5 years
Expected cash flows (instalments to be paid)	804	2,557	1,100
Capital portion by maturity	654	2,201	1,023

15. Goodwill

The following is the detail of changes of the item "goodwill":

Value at 31 December 2023	172,876
Changes in 2024	-
Value at 31 December 2024	172,876

Goodwill at 31 December 2024 totalled Euro 172,876 thousand and originated in 2001 upon the acquisition of hydroelectric plants from parties outside the group.

With reference to the item "goodwill", it is noted that, as an intangible asset with indefinite useful life, IAS 36 provides that it is not amortised, but be subject to an impairment test to be carried out at least annually. Considering that goodwill neither generates independent cash flow nor can it be sold separately, IAS 36 calls for a secondary audit of its recoverable amount, determining cash flows generated by a set of assets (Cash Generating Unit - CGU) that identify the groups to which it belongs.

The recoverable amount of goodwill recognised in the financial statements is verified annually as part of the broader Impairment test of the various CGUs within which goodwill is located, conducted at the level of the CVA Group's Consolidated Financial Statements. With reference to the Company, based on the impairment test carried out, the recoverable value of the CGU revealed no need for write-downs. For a more detailed description of the parameters used for the purposes of the impairment test, reference is made to the Consolidated Annual Financial Report.

16. Equity investments

Below are the changes of investments:

Euro thousands	Subsidiaries					Associated Companies	Other companies		Total
	CVA Energie S.r.l.	Valdigne Energie S.r.l.	Deval S.p.A.	CVA EOS S.r.l.	CVA Smart Energy S.r.l.	Téléchauffage Aoste S.r.l.	Le Brasier S.r.l. + Società Bonifiche Ferraresi	Fond. ITS	
Net value at 31.12.2023	8,023	12,978	83,529	111,076	10,000	2,965	12,143	8	240,722
Capital increase				250,000					250,000
Increases									
Acquisitions									
Write-downs/write-backs						189	2		192
Others						(431)			(431)
Total net changes in 2024				250,000		(241)	2		249,671
									-
Net value at 31.12.2024	8,023	12,978	83,529	361,076	10,000	2,724	12,145	8	490,483

The item investments in subsidiaries totalled Euro 475,607 thousand at 31 December 2024 (Euro 225,607 thousand at 31 December 2023). During the year, there was an increase in the value of the shareholding in the company CVA EOS, in the amount of Euro 250,000 thousand, following the capital increase operation. Where the value of the shareholding was higher than the respective portion of shareholders' equity, the impairment test did not reveal any write-downs to be made.

List of investments in subsidiaries

The following are the figures relating to investments in subsidiaries, pursuant to Article 2427, point 5 of the Civil Code:

Euro thousands							
INVESTMENT	REGISTERED OFFICE	% OWNERSHIP	SHARE CAPITAL	SHAREHOLDERS' EQUITY	OF WHICH: NET PROFIT / (LOSS) FOR THE YEAR	GROUP'S SHARE OF EQUITY	CARRYING AMOUNT OF THE INVESTMENT
CVA Energie S.r.l. a.s.u.	Via Stazione, 31 Châtillon - AO	100%	3,000	120,054	67,085	120,054	8,023
VALDIGNE ENERGIE S.r.l.	Via Stazione, 31 Châtillon - AO	75%	11,475	45,518	9,568	34,139	12,978
DEVAL S.p.A. a.s.u.	Via Clavalité, 8 Aosta - AO	100%	38,632	91,536	3,989	91,536	83,529
CVA EOS S.r.l. a.s.u.	Via Stazione, 31 Châtillon - AO	100%	75,000	340,158	(12,664)	340,158	361,076
CVA Smart Energy S.r.l.	Via Stazione, 31 Châtillon - AO	100%	10,000	10,797	1,301	10,795	10,000

List of investments in associated and other companies

The following are the figures relating to investments in subsidiaries, pursuant to Article 2427, point 5 of the Civil Code:

Euro thousands							
INVESTMENT	REGISTERED OFFICE	% OWNERSHIP	SHARE CAPITAL	SHAREHOLDERS' EQUITY	OF WHICH: NET PROFIT / (LOSS) FOR THE YEAR	GROUP'S SHARE OF EQUITY	CARRYING AMOUNT OF THE INVESTMENT
Téléchauffage Aoste S.r.l. (abbreviated as TELCHA)	Via Stazione, 31 Châtillon - AO	10.98%	17,668	24,805	1,726	2,724	2,724
Le Brasier S.r.l.	Viale del convento, 15 Morgex - AO	13.70%	1,053	1,061	16	145	145
Bonifiche Ferraresi S.p.A. Società Agricola	Salita San Nicola da Tolentino Roma	3%	261,883	764,930	12,226	22,948	12,000
Fondazione I.T.S.	Via Cesare Battisti, 10 Pinerolo - TO	0%	-	-	-	-	8

Please note that as at 31 December 2024, following the revaluation using the equity method for Euro 241 thousand and the distribution of the dividend as per the resolution of the shareholders' meeting of 26 November in the amount of Euro 431 thousand, the value of the investment in TELCHA decreased compared to the previous financial year.

With reference to the company LE BRASIER, it should be noted that the company's last financial year ended on 31 August 2024 and that the data shown in the table above refer to that year. During the year, the equity investment was revalued by Euro 2 thousand.

17. Deferred tax assets and deferred tax liabilities

The changes relating to "deferred tax assets" and "deferred tax liabilities" by type of time differences are detailed below:

<i>Amounts in Euro thousands</i>		
Deferred tax assets and liabilities	31.12.2024	31.12.2023
Deferred tax assets for:		
Differences in value on tangible and intangible assets	1,312	4,475
Charges, bonuses and other employee benefits	716	403
Provisions for risks and charges	466	384
Non-deductible interest	-	-
Valuation of financial instruments	3	4
Write-down of trade and other receivables	12	12
Other items	161	158
Total deferred tax assets	2,670	5,436
Deferred tax liabilities for:		
Differences in value on tangible and intangible assets	(9,482)	(8,348)
Valuation of financial instruments	(4,169)	(6,350)
Other items	(13)	(14)
Total deferred tax liabilities	(13,664)	(14,712)
Total net deferred tax assets/(liabilities)	(10,994)	(9,276)
Net change	(1,718)	2,578
<i>of which:</i>		
Ø In Income Statement	(3,880)	(839)
Ø In Shareholders' Equity	2,162	8,447
Ø Extraordinary Transactions	-	(5,030)

The "deferred tax assets" recognised in the financial statements, as there is a reasonable certainty of their recoverability, amounted to Euro 2,670 thousand at 31 December 2024 (Euro 5,436 at 31 December 2023), of which Euro 2,474 thousand (Euro 5,257 at December 2023) for IRES.

At 31 December 2024, deferred tax liabilities amounted to Euro 13,664 thousand (Euro 14,712 thousand at 31 December 2023), of which Euro 11,944 thousand (Euro 14,712 thousand at December 2023) for IRES.

The net change in deferred tax assets and liabilities of Euro (1,718) thousand was mainly due to two factors:

- the change in the fair value of interest rate hedging derivatives, accounted for under hedge accounting (IFRS 9), had a positive Euro 2,162 thousand impact on shareholders' equity, as shown in the relevant item;
- retroactive tax adjustments, made through supplementary tax returns for the years 2016-2023, resulted in a reduction in deferred tax assets, particularly on Intangible assets, due to the recovery of differences between book and tax values.

These effects are reflected respectively in the changes in net equity and in the adjustments in the declaration.

For IRES purposes, deferred taxation was calculated using the ordinary rate of 24%, and for IRAP purposes it was calculated using an ordinary rate of 3.90%.

18. Non-current financial assets

The breakdown of non-current financial assets is as follows:

Amounts in Euro thousands	2024	2023
NON-CURRENT FINANCIAL ASSETS	495,418	465,000
Financial receivables from subsidiaries	470,009	435,137
Capitalisation insurance policies	17,022	24,200
Financial receivables from associated companies	4,987	5,662
Others	3,400	-

Non-current financial receivables from subsidiaries include the long-term portion (due beyond 12 months) of the loans, valued at amortised cost, granted to these companies. In particular, there are receivables for loans to VALDIGNE (for Euro 2,201 thousand), to DEVAL (for Euro 11,696 thousand), to CVA EOS (for Euro 176,137 thousand), to Smart Energy (for Euro 31,816 thousand), to the SR Investimenti S.r.l. Group. (for Euro 245,658 thousand) and to SV LAND S.r.l. (for Euro 2,500 thousand).

Financial receivables from associated companies in 2024 amounted to Euro 4,987 thousand and refer to the long-term portion relating to the loan receivable granted to the associated company TELCHA.

The capitalisation insurance policies, equal to Euro 17,022 thousand at 31 December 2024 (Euro 24,200 thousand at 31 December 2023), refer to the *fair value* of liquidity investments through the underwriting of insurance policies.

For further details, the following tables summarise the composition and size of the policies portfolio:

Amounts in Euro thousands	INSURED CAPITAL	CAPITAL REVALUED AT 31.12.2024
INSURANCE POLICIES	22,960	24,577
Cardif Vita S.p.A.	4,500	4,929
Alleanza Assicurazioni S.p.A.	10,000	10,725
AXA Assicurazioni S.p.A.	5,960	6,297
Generali Italia S.p.A.	2,500	2,627

Included in the "Others" item are advances on shares acquisitions" amounting to Euro 3,400 thousand: this is a deposit for the purchase of 100% of the shares of the company Idroelettrica St Barth Alto S.r.l. as per the purchase agreement dated 24/05/2024.

19. Other non-current assets

The item in question, equal to Euro 1,848 thousand at 31 December 2024 (Euro 1,679 thousand at 31 December 2023), mainly includes medium/long-term receivables from employees, relating to interest-bearing loans granted to employees (Euro 808 thousand at 31 December 2024) and long-term various security deposits paid to third parties (Euro 194 thousand at 31 December 2024) and related parties (Euro 845 thousand at 31 December 2024).

20. Inventories

The value of inventories recognised in the financial statements amounted to Euro 1,736 thousand at 31 December 2024 (Euro 1,674 thousand at 31 December 2023). Inventories of ancillary and consumable materials derive from the accounting of the stocks of these materials mainly at the Bard warehouse. Their value amounted to Euro 1,403 thousand.

Inventories of fuels for heating and the functioning of generators have been valued for a total of Euro 256 thousand. Remaining inventories for a value of Euro 77 thousand consist mostly of advertising material, gadgets, vehicle accessories, and stationery.

21. Current and non-current trade receivables

The breakdown of current and non-current trade receivables is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
CURRENT TRADE RECEIVABLES	47,887	77,121
Subsidiaries	46,103	44,278
Customers	1,832	32,824
Suppliers (Credit notes)	85	306
Related parties	44	56
Associated companies	3	2
(Bad debts provision)	(180)	(345)
NON-CURRENT TRADE RECEIVABLES	1,919	89,709
Customers	1,919	89,709
TOTAL TRADE RECEIVABLES	49,806	166,829

Receivables from subsidiaries

<i>Amounts in Euro thousands</i>	2024	2023
Receivables from subsidiaries	46,103	44,278
CVA ENERGIE	40,666	41,306
DEVAL	2,057	628
CVA EOS	2,012	322
VALDIGNE	655	396
SR INVESTIMENTI	203	14
RENERGETICA	157	-
R.T.S.	96	1,598
CVA SMART ENERGY	73	2
REN Group	67	-
SUNNERG GROUP	30	-
NUOVA ENERGIA	21	-
EOS SAN GIORGIO	18	5
R.S. SERVICE	16	-
EOS MONTE RUGHE	15	5
AGREEN ENERGY	14	2
SOLAR Group	2	-

These receivables derive from services offered and/or recharged to the subsidiaries during the year, mainly the sale of energy produced by the plant facilities, outsourcing, and plant management support.

Receivables from customers

Receivables from customers totalled Euro 3,751 thousand at 31 December 2024 (Euro 122,533 thousand at 31 December 2023), of which Euro 1,919 thousand due beyond 12 months. Receivables are recorded net of the corresponding provision for bad debts (amounting to Euro 180 thousand at 31 December 2024 and Euro 345 thousand at 31 December 2023). They mainly refer to invoices issued and to be issued relating to energy efficiency work on buildings carried out during the year (total Euro 2,503 thousand). On these transactions CVA offered its customers the so-called "invoice discount", an arrangement through which the right to tax deduction for the customer is transformed into tax credit for the supplier, becoming payment currency. For this reason, these receivables will turn into credits to the Treasury recoverable in multi-year instalments (depending on the type of deduction that originated them), but only after obtaining the relevant tax compliance authorisation.

The portion of receivables that will be settled by obtaining a tax credit, therefore, has a collection time of more than 12 months. For this reason, in compliance with the "Summary of the Main Accounting Principles Adopted in the Preparation of the Financial Statements" and the note on the use of "Significant Accounting Estimates", the relevant revenues have been deducted from the financial component of the transaction by also going to make a parallel adjustment of receivables to represent them at their amortised cost.

The share of non-current receivables corresponds to the share of receivables that, for the reasons mentioned above, will be collected beyond 12 months.

Trade receivables

These are receivables for credit notes received or to be received for which compensation with debit items is not possible.

Receivables due from other related parties

These are mainly receivables from the Autonomous Region of Valle d'Aosta for business dealings of various kinds, the main ones of which regarding real estate leases.

Receivables from associated companies

These are receivables from the company TELCHA and refer to services provided in Outsourcing.

22. Receivables for income taxes

The breakdown of receivables for income taxes is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
RECEIVABLES FOR INCOME TAXES	15,119	11,539
IRES	60	10,871
IRAP	-	-
Receivables for adhesion to the Group tax consolidation	15,059	667

The item in question includes tax receivables relating to direct tax (IRES and IRAP) at year-end (Euro 60 thousand at 31 December 2024, Euro 10,871 thousand at 31 December 2023), as well as receivables due from Group companies as a result of adhering to the IRES tax consolidation regime (Euro 15,059 thousand at 31 December 2024, Euro 667 thousands at 31 December 2023).

23. Current and non-current tax receivables

The breakdown of other tax receivables is shown in the following table:

Amounts in Euro thousands	2024	2023
OTHER CURRENT TAX RECEIVABLES	69,830	37,175
Tax receivables	60,950	27,922
Receivables deriving from Group VAT regime	8,879	9,253
NON-CURRENT TAX RECEIVABLES	74,474	19,340
Other receivables	74,474	19,340
TOTAL TAX RECEIVABLES	144,305	56,514

Item "Other current tax credits" amounted to Euro 69,830 thousand as at 31 December 2024 (Euro 37,175 thousand as at 31 December 2023).

The item Tax Receivables is mainly composed of:

- Receivables for excess payment of Euro 19,135 thousand deriving from the extraordinary contribution pursuant to Art. 37 of DL 21/2022 established as an "extraordinary solidarity levy" for the year 2022, to be paid by entities operating in the territory of the State, for the subsequent sale of goods, in the production of electricity. The Company was subject to the contribution before the changes introduced by Law 197/22 and has therefore paid the contribution in full. In light of the regulatory changes introduced at the end of the financial year, CVA exited the scope of application of the contribution as it did not achieve 75% of its turnover from energy sector activities in 2021. During the 2024 financial year, interest income amounting to Euro 384 thousand accrued;
- Energy efficiency tax credits amounting to Euro 41,141 thousand: these are tax credits assigned by property owners' associations for energy efficiency work. CVA operates as a General Contractor using the work of third-party Companies to carry out energy efficiency works that entitle it to Superbonus or other building bonuses, such as bonus Façades and bonus renovation and those listed in Article 121 of Decree-Law No. 34/2020. These receivables, which can be used over 5 or 10 years, can be offset via F24 form for the payment of taxes.

Group VAT receivables amounting to Euro 8,879 thousand at 31 December 2024 (Euro 9,253 at 31 December 2023), derive from receivables accrued in the December VAT liquidation, due from Group companies as a result of adhering to the Group VAT regime.

Item "Other non-current tax credits" also refers to energy efficiency tax credits for the amount due after 12 months and is equal to Euro 74,474 thousand.

24. Derivatives

Current derivative instruments (assets and liabilities) refer to the measurement at *fair value* of derivatives on interest rates at the reporting date.

The following is a breakdown of the carrying amounts at the reporting date and the related comparative information:

Amounts in Euro thousands	2024	2023
Non-current derivative assets	-	-
Current derivative assets	2,242	5,451
TOTAL DERIVATIVE ASSETS	2,242	5,451
Non-current derivative liabilities	-	-
Current derivative liabilities	7,392	6,525
TOTAL DERIVATIVE LIABILITIES	7,392	6,525

It is noted that at 31 December 2024 and for the comparative period, there are no positions offset among assets and liabilities for derivative financial instruments.

Hedge Accounting

Derivative contracts are initially recognised at *fair value*, on the trading date of the contract, and subsequently measured at their *fair value*. During 2016, the Company defined its model for the application of Hedge Accounting and provided the operating tools necessary for formal documentation of the hedging relationships, the verification of the effectiveness and the accounting measurement of the hedging effects.

In the absence of such instruments, the Company was not previously able to satisfy the formal and substantive requirements required by the principle for the application of Hedge Accounting and consequently, starting from the date of first application of the IFRS standards and up to the year 2015, the derivative instruments stipulated by the Company, even if they were traded for hedging purposes, were reported in the financial statements as trading instruments (i.e. valued at *fair value* with a balancing entry entirely in the Income Statement).

The model of application of Hedge Accounting envisages the classification of derivatives traded by the Company as Cash Flow Hedges; specifically, the hedging instruments used (Interest Rate Swaps and Asset Inflation Linked Swaps) are designated to cover the interest flows paid on underlying loans payable or inflation linked flows of investments in bonds. The objective that the Company intends to pursue through the designated hedging transactions is therefore:

- to mitigate its risk exposure deriving from the volatility of the market rates by fixing or limiting the onerousness of its variable rate loans;
- to mitigate its exposure to the inflation risk deriving from the indexing of interest and capital invested in bonds indexed to inflation.

As a result of the Cash Flow Hedge accounting, the economic effects generated by the *fair value* measurement of hedging derivatives are recognised in a specific equity reserve (and represented in the Statement of Comprehensive Income) and then transferred to the Income Statement in the following financial years, i.e. concurrently with the recognition of the underlying interest flows.

It therefore follows that at the end of the financial year, the hedging effects recognised in the Cash Flow Hedge reserve are entirely generated by positions stipulated from 2016 onwards and in place at the reporting date and recognised in the balance sheet at *fair value*.

Effects of derivatives accounted in Cash Flow Hedge

The following table shows the impact on the shareholders' equity of the Company of the Cash Flow Hedge reserve recognised with reference to derivatives to hedge the risk of interest and inflation rate accounted for in Hedge Accounting at 31 December 2024, gross of the tax effect:

<i>Amounts in Euro thousands</i>	Book value
Closing balances at 31.12.2023	26,327
Changes in fair value with impact in equity	(8,712)
Effects released to Income Statement	(376)
Closing balances at 31.12.2024	17,239

The effectiveness of hedging derivatives recognised as at 31 December 2024 within the Cash Flow Hedge reserve (positive for Euro 17,239 thousand, before tax effect) is mainly related to the value of the reserve of the effective portion of derivatives extinguished during 2022 to cover financial liabilities finalised in 2023 and the *fair value* of existing derivative financial instruments, net of interest differentials accrued at the reporting date; this amount suspended for accounting purposes in equity refers to future interest flows that will be economically realised (with the consequent release of the economic effects suspended in equity) partly in the 2025 financial year (net collections estimated at about Euro 746 thousand) and partly in subsequent years (net payments estimated at about Euro 6,713 thousand).

Sensitivity analysis of interest rate risk

As stated in the specific “risk management” section included in the Report on Operations which accompanies these financial statements, the Company is exposed to the risk of fluctuating interest rates, the volatility of which could have negative effects on the Company’s cash flows.

The following is a sensitivity analysis to reasonably possible changes in interest rates at the reference date, keeping all the other variables underlying the valuation model constant. In particular, the range of changes assumed on the interest rate curve for the purposes of this analysis is ± 50 bps (basis points).

Sensitivity analysis of interest rate risk at 31 December 2024

Amounts in Euro thousands		At 31 December 2024			
Description	Change in the rate	Impact on Income Statement (before taxes)		Impact on Shareholders’ Equity (before taxes)	
		Increase	Decrease	Increase	Decrease
Changes in <i>fair value</i> of rate derivatives designated in <i>hedge accounting</i>	± 50 bps	176	(327)	4,821	(5,543)
Changes in <i>fair value</i> of rate derivatives not designated in <i>hedge accounting</i>	± 50 bps	42	(51)	-	-

On the basis of the sensitivity analysis described above, it is noted that changes in the *fair value* of the derivatives portfolio deriving from the assumed rate changes would impact the Income Statement, as:

- some hedging instruments have not been accounted for in Hedge Accounting;
- the hedging instruments have a share of ineffectiveness, therefore a part of the changes in their fair value is recognised in the Income Statement and not suspended in equity according to the provisions of IFRS 9 for Cash Flow Hedge.

25. Other current financial assets

The breakdown of other current financial assets is as follows:

Amounts in Euro thousands	2024	2023
OTHER CURRENT FINANCIAL ASSETS	231,683	294,086
Receivables from Group companies for centralised treasury	143,323	249,341
Financial receivables from subsidiaries	70,081	34,035
Portfolio of securities/funds	10,000	10,002
Capitalisation insurance policies	7,555	-
Financial receivables from associated companies	724	707
Others	-	1

Receivables from Group companies for centralised treasury, equal to Euro 143,323 thousand at 31 December 2024 (Euro 249,341 thousand at 31 December 2023) refer to the credit balances of the intercompany current accounts held with the various subsidiaries. A significant part of the decrease in this item is attributable to the balance, which became positive during the reporting year, of the treasury accounts of the subsidiaries CVA Energie, VALDIGNE ENERGIE and SR Investimenti, which were therefore reclassified as current financial liabilities. Financial receivables from subsidiaries mainly include the receivables relating to the short-term portion (due within 12 months) of loans granted to subsidiaries.

In particular, we highlight the receivables:

- from VALDIGNE for Euro 809 thousand at 31 December 2024 (Euro 772 thousand at 31 December 2023);
- from DEVAL, for Euro 2,575 thousand at 31 December 2024 (Euro 2,669 thousand at 31 December 2023);
- from CVA ENERGIE, for Euro 15,113 thousand at 31 December 2024 (Euro 9,447 thousand at 31 December 2023);
- from CVA EOS for Euro 9,601 thousand at 31 December 2024 (Euro 10,017 thousand at 31 December 2023);
- towards SR Investimenti and subsidiaries for Euro 37,774 thousand as at 31 December 2024 (Euro 8,605 thousand as at 31 December 2023).

Time deposits with short-term maturity amounting to Euro 10,000 thousand (Euro 10,002 as at 31 December 2023) are included in Securities Portfolio receivables. The capitalisation insurance policies, equal to Euro 7,555 thousand as at 31 December 2024, refer to contracts expiring in the following financial year.

Financial receivables from associated companies amounted to Euro 724 thousand (Euro 707 thousand at 31 December 2023) refer to the short-term portion relating to the loan receivable granted to the related company TELCHA.

26. Other current assets

The breakdown of the item Other current assets is as follows:

<i>Amounts in Euro thousands</i>	2024	2023
OTHER CURRENT ASSETS	12,817	18,119
Deferred assets	10,175	7,055
Advances to suppliers	1,464	1,789
Receivables from the G.S.E. for incentives	749	41
Receivables from employees	89	83
Receivables from social security institutions	4	97
Security deposits	3	3
Other assets - related parties	8	200
Other assets subsidiaries		3,455
Other assets	325	5,395

The item "other current assets" amounted to Euro 12,817 thousand at 31 December 2024 (Euro 18,119 thousand at 31 December 2023) and mainly includes the following items:

37. Other current and non-current liabilities

Other current liabilities amounted to Euro 12,825 thousand at 31 December 2024 (Euro 11,789 thousand at 31 December 2023) and the breakdown is as follows:

<i>Amounts in Euro thousands</i>	2024	2023
OTHER CURRENT LIABILITIES	12,825	11,789
Other liabilities other related parties	6,348	5,867
Payables to employees	2,898	2,664
Payables to social security institutions	2,518	2,236
Deferred liabilities	294	328
Other liabilities to parent companies	179	-
Other liabilities to subsidiaries	62	45
Payables to Directors	15	16
Payables for deposits and guarantees received	4	4
Advances from customers	3	2
Other payables	502	627

- deferred assets, for Euro 10,175 thousand at 31 December 2024 (Euro 7,055 thousand at 31 December 2023), deriving from the deferred asset of water diversion supra-fees for Euro 6,000 thousand at 31 December 2024, as well as from deferred assets of various kinds including: insurance premiums, rents payable and long-term expenses;
- advances to suppliers, amounting to Euro 1,464 thousand at 31 December 2024 (Euro 1,789 thousand at 31 December 2023), consisting mainly of advances to suppliers related to energy efficiency work on buildings;
- receivables from the GSE, for Euro 749 thousand at 31 December 2024 (Euro 41 thousand at 31 December 2023), deriving from contributions accrued during the year but not yet collected.

27. Cash and cash equivalents

The item mainly includes the balance receivable of current bank accounts and short-term deposits at the reporting date, equal to Euro 274,754 thousand (Euro 325,522 thousand at 31 December 2023). Cash and cash equivalents amounted to Euro 3 thousand at 31 December 2024 (Euro 2 thousand at 31 December 2023). Bank deposits amounted to Euro 274,716 thousand at 31 December 2024 (Euro 325,486 thousand at 31 December 2023). All balances are stated at nominal value and also include interest accrued but not yet credited at the end of the year. They are not burdened by constraints of any kind that limit their availability.

28. Shareholders' equity

The breakdown of the shareholders' equity of the Company is as follows:

Amounts in Euro thousands	2024	2023
SHAREHOLDERS' EQUITY	1,129,088	1,007,023
Share capital	395,000	395,000
Other reserves	356,100	347,553
Profits/(Losses) carried forward	174,026	58,593
Net result of the year	203,962	205,877

Share capital

The share capital amounted to Euro 395,000 thousand, divided into 395,000 thousand ordinary shares with a nominal value of Euro 1.00 each. During the 2024 and 2023 financial years, there were no changes in the amount of share capital.

Other reserves

The breakdown of other reserves is shown in the following table:

Amounts in Euro thousands	2024	2023
OTHER RESERVES	356,100	347,553
Extraordinary reserve	87,619	87,619
Legal reserve	79,000	63,605
IAS transition FTA reserve	12,289	12,289
Merger reserves	476	476
Loss coverage reserve	2	2
IAS 19 Employee benefits reserves	(85)	(144)
Cash Flow Hedge reserve	13,102	20,008
Reserve for realignment of tax value of goodwill pursuant to article 110 DL 104/2020	163,697	163,697

Reserve for realignment of tax value of goodwill pursuant to article 110 DL 104/2020

Following the operation of realignment of the statutory and fiscal values of goodwill carried out pursuant to Article 110 of Decree-Law 104/2020, a portion of the extraordinary reserve amounting to Euro 163,697 thousand, the value subject to realignment net of the substitute tax, was allocated to a special reserve with a specific tax suspension restriction for tax purposes (as governed by paragraph 8 of the aforementioned provision).

Extraordinary reserve

This reserve amounts to Euro 87,619 thousand (Euro 87,619 thousand at 31 December 2023) and includes the allocation made in the previous years, as approved by the shareholders' meeting.

Legal reserve

The legal reserve amounted to Euro 79,000 thousand (Euro 63,605 thousand at 31 December 2023). The increase recorded during the year was due to the allocation to this reserve of a portion of the 2023 profit for the year amounting to Euro 15,395 thousand, exceeding the twentieth part thereof, in compliance with Article 2430 of the Civil Code. As a result of this provision, the legal reserve reached a total value of one fifth of the share capital.

First Time Adoption (FTA) Reserve

This reserve represents the balancing entry in shareholders' equity of the adjustments of equity balances deriving from the first application of the IAS/IFRS accounting standards at the transition date of 1 January 2014 and amounts to Euro 12,289 thousand.

Cash Flow Hedge reserve (OCI)

This reserve includes the effective portion of the change in the *fair value* of derivative financial instruments classified as Cash Flow Hedges and designated as hedges of the interest flows generated by the loans payable. The change in *fair value* is expressed net of accrued interest and the tax effect. The reserve amounted to Euro 13,102 thousand at 31 December 2024. Its movement is also reported in other comprehensive income in the components reclassifiable to profit or loss in subsequent periods.

Merger reserves

The item includes for Euro 476 thousand the net merger capital resulting from the 2001 merger operation.

Actuarial reserve IAS 19 (OCI)

The item includes actuarial losses relating to defined benefit plans for employees, for Euro 85 thousand at 31 December 2024 (losses for Euro 144 thousand at 31 December 2023). It is reported, for its change in the year, in other comprehensive income among the components that cannot be reclassified to profit or loss in subsequent periods.

Profits/(Losses) carried forward

The item was positive for Euro 174,026 thousand at 31 December 2024 (Euro 58,593 thousand at 31 December 2023). This item includes differences arising from the restatement of prior-year results due to changes in accounting standards or corrections of accounting errors. In particular, the main component consists of the differences on the 2014 and 2015 results for the first-time adoption of IAS/IFRS. The increase recognised in the financial year is due to the appropriation of the profit for the year 2023.

Net result of the year

The net result was positive for Euro 203,962 thousand in 2024 (Euro 205,877 thousand at 31 December 2023). It is also noted, pursuant to Article 109, paragraph 4 of Presidential Decree 917/1986, in the version in force until 31/12/2007, that the share of unavailable profit is Euro 509,817. (This amount corresponds to the charges deducted for tax purposes only - bad debts within the limits of Article 106 of Presidential Decree 917/1986 totalling Euro 670,812, net of related deferred taxation of Euro 160,995).

Statement of Equity with additional information

The details of the individual shareholders' equity items are shown below, with a breakdown by their origin and possibility of use:

Amounts in Euro thousands	ORIGIN	POTENTIAL UTILISATION	2024	2023
Share capital			395,000	395,000
Legal reserve	Profit reserve	B	79,000	63,605
Extraordinary reserve	Profit reserve	A,B,C	87,619	87,619
Merger reserves	Other reserves	A,B	476	476
IAS transition FTA reserve	Other reserves	B	12,289	12,289
Loss coverage reserve	Other reserves	B	2	2
Cash Flow Hedge reserve	Other reserves	-	13,102	20,008
IAS 19 reserves - Employee Benefits	Other reserves	-	(85)	(144)
Realignment Reserve pursuant to Article 100 DL 104/2020	Other reserves	A,B,C	163,697	163,697
Profits/(accumulated losses)	Profit reserve	A,B,C	174,026	58,593
Total			925,126	801,146
Of which:				
Non-distributable portion:			499,784	491,237
Residual distributable portion:			425,342	309,909

Key: A) for capital increase; B) for loss coverage; C) for distribution to shareholders.

29. Current and non-current employee benefits

Employee benefits amounted to Euro 4,414 thousand in the year (Euro 3,237 thousand in 2023). The table below shows the changes in the years:

Amounts in Euro thousands	Employee severance indemnity (TFR)	LOYALTY BONUS	ENERGY DISCOUNT	EMPLOYEE BONUSES	OTHER EMPLOYEE BENEFITS	TOTAL
Current value of the obligation at 31/12/2023	1,548	724	321	423	222	3,238
Current cost		45	1	1,740	5	1,791
Financial expenses	47	23	10		6	86
Increases (decreases) for acquisitions and transfers	1	3		22		26
Benefits provided	(105)	(20)	(21)	(442)	(37)	(625)
Revaluations (*)	(62)	(23)	(3)		(14)	(102)
Other changes						0
Current value of the obligation at 31/12/2024	1,429	752	308	1,743	182	4,414
of which						
current portion	231	23	21	571	44	890
non-current portion	1,198	729	287	1,172	138	3,524

(*) The item "revaluations" includes the following components: 1. actuarial (gains)/losses resulting from changes in demographic assumptions; 2. actuarial (gains) / losses

resulting from changes in financial assumptions; 3. (gains)/losses resulting from the effect of past experience

Liabilities for employee benefits are mainly represented by the following components:

- severance indemnity (TFR) recognised in compliance with the provisions of current legislation. The value of the liabilities in question amounted to Euro 1,429 thousand at 31 December 2024 (Euro 1,548 thousand at 31 December 2023);
- the company loyalty bonus to be paid to employees upon reaching a specified length of service. Liabilities accrued amounted to Euro 752 thousand at 31 December 2024 (Euro 724 thousand at 31 December 2023);
- employee bonuses: the amounts allocated for the Management By Objectives Plan of Heads of Department, Area Managers and Executives totalling Euro 559 thousand and for the LTI (Long Term Incentive Plan) bonuses for Executives amounting to Euro 1,184 thousand as at 31 December 2024, the latter are provided for starting from the current year. The Long-Term Incentive Plan 2023-2027 is an incentive tool aimed at the Company's top management and pegged to the achievement of Strategic Plan targets and event-driven objectives that create shareholder value;
- other employee benefits totalled Euro 182 thousand at 31 December 2024 (Euro 222 thousand at 31 December 2023) and are represented by: (i) additional allowance for FOPEN contributions recognised to employees who have opted, as part of the agreement entered into in May 2019 to overcome the concessions on energy tariffs for the disbursement of a fixed amount to the supplementary pension fund or in coupons up to the age of 65 regardless of the age at which they will cease service; (ii) additional monthly payments (so-called "IMA") due to employees in force as of 24/07/2001 and in accordance with Article 43 of the C.C.L. 21 February 1989;
- the energy discount fund, totalling Euro 308 thousand as at 31 December 2024 (Euro 321 thousand as at 31 December 2023), allocated against the agreement entered into on 6 May 2019 to overcome electricity tariff concessions for former employees and which provides former employees who have opted for the recognition of a lump sum, the payment of a fixed annual amount of Euro 360.

For the purpose of defining the amount of the current value of the obligations, an estimate was made of the future provisions which, on the basis of development assumptions related to both the numerical development of the community and the salary development, will be provided to each employee in the case of continuation of work, retirement, death, resignation or request for anticipation. The only exception is the provision for employee bonuses, which, in view of its nature as a short-term benefit (bonuses are paid in the following year), has not been discounted. Since these premiums have a prevalent valuation component in their determination, they have been recorded under provisions and not under payables. The main economic and financial assumptions adopted for the calculations are as follows:

Amounts in Euro thousands	2024	2023
TFR discount rate – ENERGY DISCOUNT LOYALTY BONUS - OTHER	3.40%	3.20%
TFR discount rate – LONG TERM INCENTIVE	2.70%	N.A.
Annual inflation rate	1.70%	2.00%
Rate of increase in labour costs		
- age 40 and under	3.70%	4.00%
- age over 40 but under 55	2.70%	3.00%
- age over 55	1.70%	2.00%

In compliance with the provisions of IAS 19, a sensitivity analysis is provided for each significant actuarial assumption at the end of the year, showing the effects that there would be as a result of changes in actuarial assumptions reasonably possible at said date, in absolute terms.

Amounts in Euro thousands	Change in liabilities	One year cost	Change in liabilities	One year cost
	when the rate changes		when the rate changes	
	-0.50%		0.50%	
Employee severance indemnity (TFR)	50		(48)	
Long term incentive	37	935	(36)	972
Loyalty bonus	47	47	(43)	40
Other employee benefits	18	5	(16)	5

30. Provisions for risks and charges

The breakdown of provisions for risks and charges is as follows:

<i>Amounts in Euro thousands</i>	Provisions for charges
Value at 31.12.2023	1,377
(Uses)	(17)
(Releases)	-
Allocations	268
Other changes	-
Value at 31.12.2024	1,628
of which	
current portion	-
non-current portion	1,628

The provision for expenses refers to probable or certain liabilities of various nature, but of an estimated amount. It mainly consists of:

- reclamation of public lighting systems Municipality of Aosta: the provision of Euro 105 thousand made corresponds to the commitment assumed by CVA regarding the reclamation of the lighting systems located in the Municipality of Aosta prior to their sale to the Municipality itself. The obligation remains and the fund has not seen any additional changes;
- exceeding of the quotas of withdrawal allowed to CVA: the provision covers the charges for the State fees and supra-fees due in case of exceeding the quantities of derived water for the hydroelectric plants with respect to what is established by the concessions. The provision as at 31 December 2024 amounted to Euro 283 thousand and refers to excesses recorded by the Avise plant in 2018 and those recorded by Avise, Quart, and Maen plants in 2024;
- provision for compensation indemnities potentially due to the Municipality of Foggia: with reference to the Ponte Albanito plant, in the absence of an agreement regulating the economic relations with the Municipality of Foggia with reference to potential environmental compensation indemnities, an amount equal to 3% of the revenues for the sale of energy and related incentives was set aside from 2018 to 2023. This percentage is a conservative estimate. The provision totalled Euro 1,016 thousand and did not change during the current year;
- Property and land safety fund: in light of the increasingly frequent natural disasters, in 2020 it was decided to manage all risk situations arising from instability of land and property adjacent to regional roads. The Company's commitment to complete the activity had been measured at Euro 317 thousand. As at 31 December, the provision was broken down as follows:
- professional assignment to carry out the activity of defining the potential risks of the CVA S.p.a.'s properties along the entire route of Regional Road No. 44 of Valle d'Aosta for Euro 167 thousand;
- safety work related to potential risks in the amount of Euro 58 thousand.

31. Current and non-current financial liabilities

Non-current financial liabilities amounted to Euro 401,157 thousand at 31 December 2024 (Euro 808,309 thousand at 31 December 2023), and consisted mainly of the long-term portion of bank loans and bonds held by the Company (valued with the amortised cost method), liabilities entered in respect of rights of use in accordance with IFRS 16 (as described in note 14).

<i>Amounts in Euro thousands</i>	2024	2023
NON-CURRENT FINANCIAL LIABILITIES	401,157	808,309
Bank loans	319,038	727,922
Bonds	78,895	78,725
Financial liabilities for leasing	2,100	619
Financial lease liabilities to related parties	1,125	1,043

Other current financial liabilities amounted to Euro 527,172 thousand at 31 December 2024 (Euro 77,940 thousand at 31 December 2023) and the breakdown is as follows:

<i>Amounts in Euro thousands</i>	2024	2023
OTHER CURRENT FINANCIAL LIABILITIES	527,172	77,940
Bank loans	416,571	77,420
Financial liabilities for leasing	530	286
Bonds	62	130
Payables to Group companies for centralised treasury	109,165	
Financial payables to subsidiaries	696	
Financial lease liabilities to related parties	127	86
Other financial payables	21	17

Bank loans, amounting to Euro 416,571 thousand at 31 December 2024 (Euro 77,420 thousand at 31 December 2023), represent the short-term portion of bank loans held by the Company valued with the amortised cost method and short-term loans.

Financial lease liabilities represent the short-term portion of liabilities recognised for rights of use pursuant to IFRS 16.

Payables to Intra-Group companies for cash pooling refer to the debit balances of Intercompany current accounts held with the various subsidiaries. This Item is attributable to the balance, which became positive during the reporting year, of the treasury accounts of the subsidiaries CVA Energie, VALDIGNE ENERGIE and SR Investimenti.

Financial liabilities to subsidiaries refer to the debiting of interest on the aforementioned cash pooling accounts. The changes in bank loans payable for the year are shown below, with a breakdown between monetary and non-monetary changes:

<i>Amounts in Euro thousands</i>				
Counterparty	31/12/2023	Monetary net change	Non-monetary net change	31/12/2024
BNL	69,461	-	258	69,718
Mediobanca	30,007	-	-7	30,000
EIB	33,118	-11,000	-59	22,058
CDP 2023/31	-228	-	26	-202
Intesa Sanpaolo 2022/25	75,651	-	64	75,715
Mediobanca 2022/25	100,199	-	96	100,296
Deutsche Bank 2022/25	25,208	-	13	25,221
BNL finanz. 2022/25	50,810	-	-65	50,745
Unicredit finanz. 2022/25	49,961	-	28	49,988
BPM finanz. 2023/26	29,821	-	69	29,890
Bper 2023/26	34,958	-	23	34,981
SSD 2023/28	196,721	-	897	197,618
SSD 2023/30	49,282	-	101	49,383
Bond 2021/2028	49,740	-	65	49,805
Bond 2023/2038	29,115	-	37	29,152
Sella RCF	10,022	-10,000	-7	15
Crédit Agricole RCF	50,230	-50,000	-184	47
BNL RCF	21	-	-1	20
Intesa Sanpaolo RCF	39	-	-	39
Unicredit RCF	9	-	1	10
Deutsche B RCF	17	-	16	33
BPM RCF	1	-	-1	-
BPER RCF	32	-	-	32
TOTAL	884,197	-71,000	1,370	814,565

With reference to the maturity analysis required by the standard IFRS 7 for financial liabilities, the table below shows the analysis by expiry of expected cash flows (non-discounted values) from bank loans and bonds payable recognised in the financial statements (distinguishing between interest and capital flows).

Maturity analysis at 31 December 2024

Amounts in Euro thousands		2024				
		1 year	1-2 years	2-5 years	> 5 years	Total
Bank loans and bonds	Capital flows	411,000	76,000	250,000	80,000	817,000
	Interest flows	23,515	12,755	21,613	14,857	73,740

32. Categories of financial instruments

The following table shows the values of the financial statements at 31 December 2024 and for comparative periods of financial assets and liabilities, broken down into the categories of financial instruments defined by IFRS 9:

Financial assets

Amounts in Euro thousands	2024	2023
Financial assets	556,482	491,701
Loans and receivables	529,663	462,050
Certificates of deposit and repurchase agreements	-	-
Loans receivables with associates, subsidiaries and parent companies	529,663	462,050
Financial assets available for sale	24,577	24,200
Insurance policies	24,577	24,200
Bonds	-	-
Financial assets measured at fair value	2,242	5,451
Assets for financial derivatives in hedge accounting	2,242	5,451

Financial liabilities

Amounts in Euro thousands	2024	2023
FINANCIAL LIABILITIES	821,957	890,721
Financial liabilities measured at fair value	7,392	6,525
Liabilities for financial derivatives in hedge accounting	7,392	5,983
Liabilities for financial derivatives not in hedge accounting	-	542
Financial liabilities measured at amortised cost	814,565	884,196

33. Fair value of financial instruments

The following table illustrates, for financial instruments recorded in the balance sheet, the *fair value* valuation at the end of the reference period and the related level in the *fair value* hierarchy previously shown, comparing it with the value recorded in the financial statements:

Fair value hierarchy at 31 December 2024

2024

Amounts in Euro thousands	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
Financial assets	555,209	-	-	612,484	-
Certificates of deposit and repurchase agreements	-	-	-	-	-
Loans receivables with associates, subsidiaries and parent companies	528,390	-	-	585,665	-
Capitalisation insurance policies	24,577	-	-	24,577	-
Bonds	-	-	-	-	-
Assets for financial derivatives	2,242	-	-	2,242	-

2024

Amounts in Euro thousands	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
Financial liabilities	821,957	0	0	863,003	0
Bank loans and bonds	814,565	-	-	855,611	-
Liabilities for financial derivatives	7,392	-	-	7,392	-

In general, the *fair value* of financial instruments traded on regulated markets is determined using the official prices (Level 1). For financial instruments not listed on regulated markets (derivative instruments and loans), the relative *fair value* is instead determined using appropriate valuation models for each category, using the market data available at the reporting date and discounting expected cash flows based on the interest rate curves (Level 2 input data). With reference to cash and cash equivalents and other short-term financial assets or liabilities, the nominal value recognised in the financial statements represents a reasonable approximation of the relative *fair value*.

34. Trade payables

The breakdown of trade payables is shown in the following table:

Amounts in Euro thousands	2024	2023
TRADE PAYABLES	57,907	81,357
Suppliers	55,736	78,839
Subsidiaries	1,987	2,427
Customers (Credit notes)	143	90
Related parties	35	1
Associated companies	6	-

Payables to suppliers

Payables to suppliers, equal to Euro 55,736 thousand at 31 December 2024 (Euro 78,839 thousand at 31 December 2023) refer to invoices received and to be received mainly relating to routine and non-routine maintenance of production plants and energy efficiency.

Other liabilities to subsidiaries

Liabilities to subsidiaries amounted to Euro 1,987 thousand (Euro 2,427 thousand at 31 December 2023). They refer mainly to invoices to be received from the subsidiary CVA ENERGIE for energy supplied by it.

Other trade liabilities to customers

Trade liabilities to customers, represented by credit notes to be issued, amounted to Euro 143 thousand as at 31 December 2024, up from Euro 10 thousand in the previous year. This Item reflects the company's obligation to recognise amounts due to customers, generally resulting from billing adjustments or commercial agreements.

Other liabilities to related parties

Other liabilities refer to payables for invoices relating to suppliers classified as related parties for Euro 35 thousand (Euro 1 thousand at 31 December 2023). Refer to the specific section for details.

35. Payables for income taxes

Income tax payables, amounting to Euro 34,041 thousand as at 31 December 2024 (Euro 36,022 thousand as at 31 December 2023), refer to IRES taxes of Euro 25,782, direct IRAP taxes accrued during the year for Euro 6,623 thousand and payables to subsidiaries adhering to the national IRES tax consolidation scheme in the amount of Euro 1,635 thousand.

36. Other tax payables

The breakdown of the item "other tax payables" is shown in the following table:

<i>Amounts in Euro thousands</i>	2024	2023
TOTAL OTHER TAX PAYABLES	1,788	12,151
Payables to the tax authorities for VAT	888	11,441
Withholding tax for employees	683	553
Other tax payables	216	157

This Item mainly corresponds to VAT payables to the Revenue Agency at year-end. In 2024, there was a payable of Euro 888 for the December VAT liquidation (Euro 11,441 at 31 December 2023).

The other amounts included in this item are mainly payables to the Italian Tax Authorities for withholding taxes made by the Company in its capacity as withholding agent on employees and self-employed workers. Added to these are accrued liabilities for stamp duty on cash investments.

Other liabilities to related parties for Euro 6,348 thousand consist mainly of state fees and amounts owed to the Board of Statutory Auditors for fees paid during the year, while those to subsidiaries refer to deferred income on various types of consideration. Payables to employees, amounting to Euro 2,898 thousand at 31 December 2024 (Euro 2,664 thousand at 31 December 2023) mainly refer to accrued vacation and ROL that were not paid to employees.

The item also includes payables to social security institutions, equal to Euro 2,518 thousand (Euro 2,236 thousand in 2023), such as INPS and other supplementary pension funds.

Deferred liabilities amounted to Euro 294 thousand (Euro 328 thousand at 31 December 2023) and refer mainly to capital contributions deferred over the useful life of the assets to which the facilitation refers.

Other liabilities to parent companies Euro 179 thousand refer to the contribution received from the parent company FINAOSTA S.p.A. for the BESS-2L project, an innovative initiative to test the use of "second life" batteries for the storage of electricity produced from renewable sources.

Payables to members of the Board of Directors amounted to Euro 15 thousand.

Other payables mainly include liabilities for environmental compensation indemnities accrued until 31 December 2022 on wind farm production (Euro 337 thousand) and liabilities for fees due for fish restocking calculated as a percentage of variable state fees (Euro 123 thousand). Item "other non-current liabilities" also includes deferred income for capital grants in the amount of Euro 929,103, of which the main ones were for the Valpelline hydroelectric plant, in the amount of Euro 313 thousand as at 31 December 2024 and on the Chatillon hydroelectric plant in the amount of Euro 142 thousand as at 31 December 2024.

Commitments, guarantees and contingent liabilities

Below is a breakdown of the sureties and credit lines obtained and released by the Company on the date the note was prepared:

- the Company has issued personal sureties for the benefit of suppliers to guarantee the correct fulfilment of all the contractual obligations of the subsidiaries, for a total amount of Euro 227,158 thousand at 31 December 2024 (Euro 247,068 thousand at 31 December 2023). More specifically, at 31 December 2024, the main ones refer to personal guarantees issued for:
 - CVA ENERGIE for Euro 209,693 thousand;
 - DEVAL, as distributor of the Group, for Euro 16,592 thousand;
 - RTS for Euro 148 thousand;
- the Company has issued personal sureties to guarantee the correct fulfilment of all the contractual obligations of the associated company TELCHA for Euro 725 thousand
- guarantees issued by third parties in favour of third parties amounting to Euro 79 thousand (Euro 51 thousand at 31 December 2024).

Guarantees received

The Company received guarantees from customers and suppliers for the correct fulfilment of contractual obligations for a total of Euro 8,892 thousand (Euro 7,534 thousand in the previous year).

Management and coordination activities

For as required pursuant to Art. 2497 and following of the Civil Code, reference is made to the Report on Operations.

Related Parties

With regard to the identification of the economic-equity relations with related parties and for the definition of "related party", reference is made to the international accounting standard IAS 24, approved by EC Regulation No. 1725/2003. Transactions with the companies belonging to CVA, as well as with the other related parties - mainly the Region and FINAOSTA, as well as the other subsidiaries and associates - are governed by specific contracts. The following tables summarise the economic and financial relations between the Company and the other related parties:

Receivables from related parties

Euro thousands	2024				2023			
	Financial receivables	Trade receivables	Other receivables	Rou Assets IFRS16	Financial receivables	Trade receivables	Other receivables	Rou Assets IFRS16
Parent Company	-	-	-	-	-	-	188	-
<i>Finaosta S.p.A.</i>	-	-	-	-	-	-	188	-
CVA Group Companies	683,412	46,103	23,938	-	718,513	44,278	10,008	-
CVA Energie S.r.l.	15,120	40,666	20,905	-	95,345	41,306	9,253	-
CVA EOS S.r.l.	282,971	2,012	11	-	367,870	322	-	-
SR Investimenti S.r.l.	283,474	203	-	-	186,726	14	-	-
Agreen Energy S.r.l.	-	14	-	-	-	2	-	-
EOS San Giorgio S.r.l.	1,368	18	-	-	351	5	-	-
EOS Monte Rughe S.r.l.	-	15	-	-	-	5	-	-
Valdigne Energie S.r.l.	3,011	655	1,983	-	5,833	396	527	-
CVA Smart Energy S.r.l.	36,416	73	-	-	33,519	2	-	-
R.T.S. S.r.l.	4,552	96	44	-	2,064	1,598	228	-
Nuova Energia S.r.l.	4,366	21	-	-	1,499	-	-	-
Deval S.p.A.	37,743	2,057	996	-	25,307	628	-	-
R.S. SERVICE S.r.l.	1	16	-	-	-	-	-	-
REN 167 S.r.l.	318	24	-	-	-	-	-	-
REN 170 S.r.l.	1,038	21	-	-	-	-	-	-
REN 207 S.r.l.	928	-	-	-	-	-	-	-
REN 208 S.r.l.	683	21	-	-	-	-	-	-
Renenergetica S.p.A.	-	157	-	-	-	-	-	-
Solar Italy IX S.r.l.	2,170	-	-	-	-	-	-	-

Euro thousands		2024				2023			
Company	Financial receivables	Trade receivables	Other receivables	Rou Assets IFRS16	Financial receivables	Trade receivables	Other receivables	Rou Assets IFRS16	
Parent Company	-	-	-	-	-	-	188	-	
<i>Finaosta S.p.A.</i>	-	-	-	-	-	-	188	-	
CVA Group Companies	683,412	46,103	23,938	-	718,513	44,278	10,008	-	
CVA Energie S.r.l.	15,120	40,666	20,905	-	95,345	41,306	9,253	-	
CVA EOS S.r.l.	282,971	2,012	11	-	367,870	322	-	-	
SR Investimenti S.r.l.	283,474	203	-	-	186,726	14	-	-	
Agreen Energy S.r.l.	-	14	-	-	-	2	-	-	
EOS San Giorgio S.r.l.	1,368	18	-	-	351	5	-	-	
EOS Monte Rughe S.r.l.	-	15	-	-	-	5	-	-	
Valdigne Energie S.r.l.	3,011	655	1,983	-	5,833	396	527	-	
Solar Italy VII S.r.l.	5,201	-	-	-	-	-	-	-	
Solar Italy X S.r.l.	151	-	-	-	-	-	-	-	
Solar Italy XX S.r.l.	601	-	-	-	-	-	-	-	
Solar Italy XXIV S.r.l.	10	-	-	-	-	-	-	-	
Solar Italy XXVI S.r.l.	777	-	-	-	-	-	-	-	
Solar Italy XXVII S.r.l.	10	-	-	-	-	-	-	-	
SUNNERG GROUP S.R.L.	4	30	-	-	-	-	-	-	
SV Land S.r.l.	2,500	-	-	-	-	-	-	-	
Solar Italy XXVI S.r.l.	777	-	-	-	-	-	-	-	
Solar Italy XXVII S.r.l.	10	-	-	-	-	-	-	-	
SUNNERG GROUP S.R.L.	4	30	-	-	-	-	-	-	
SV Land S.r.l.	2,500	-	-	-	-	-	-	-	
Associated Companies	5,711	3	-	-	6,369	2	-	-	
Téléchauffage Aoste S.r.l.	5,711	3	-	-	6,369	2	-	-	
Finaosta Group Companies	-	1	11	1,248	-	1	-	1,157	
Cervino S.p.A.	-	1	-	-	-	1	-	-	
Struttura VdA S.r.l.	-	-	11	1,248	-	-	-	1,157	
Valle d'Aosta Region and its investees	-	39	842	12	-	50	566	-	
Valle d'Aosta Region	-	13	842	12	-	13	566	-	
Council of the Valle d'Aosta Region	-	25	-	-	-	26	-	-	
Inva S.p.A.	-	-	-	-	-	11	-	-	
S.A.V. S.p.A.	-	-	-	-	-	-	-	-	
Directors, Executives with strategic responsibilities and Statutory Auditors	-	4	-	-	-	5	-	-	
Directors	-	-	-	-	-	3	-	-	
Executives	-	4	-	-	-	3	-	-	
TOTAL	689,123	46,150	24,791	1,259	724,882	44,336	10,762	1,157	

Payables to related parties

Euro thousands	2024				2023			
	Financial payables	Trade payables	Other payables	Lease liab. IFRS16	Financial payables	Trade payables	Other payables	Lease liab. IFRS16
Parent Company	-	-	179	-	-	-	179	-
<i>Finaosta S.p.A.</i>	-	-	179	-	-	-	179	-
CVA Group Companies	109,861	1,987	1,697	-	-	2,427	34,004	-
CVA Energie S.r.l.	50,918	200	-	-	-	188	29,113	-
CVA EOS S.r.l.	66	44	1,162	-	-	35	3,935	-
SR Investimenti S.r.l.	48,000	-	130	-	-	-	-	-
Agreen Energy S.r.l.	-	-	6	-	-	-	3	-
EOS San Giorgio S.r.l.	-	12	-	-	-	-	-	-
Valdigne Energie S.r.l.	10,878	-	-	-	-	-	-	-
CVA Smart Energy S.r.l.	-	-	191	-	-	-	55	-
R.T.S. S.r.l.	-	39	164	-	-	53	-	-
Nuova Energia S.r.l.	-	1,421	-	-	-	1,962	-	-
Deval S.p.A.	-	271	44	-	-	189	898	-
Associated Companies	-	6	-	-	-	-	-	-
Téléchauffage Aoste S.r.l.	-	6	-	-	-	-	-	-
Finaosta Group Companies	-	34	-	1,241	-	-	-	1,129
Cervino S.p.A.	-	-	-	-	-	-	-	-
Struttura VdA S.r.l.	-	34	-	1,241	-	-	-	1,129
Valle d'Aosta Region and its investees	-	-	6,305	12	-	1	5,643	-
Valle d'Aosta Region	-	-	6,305	12	-	-	5,643	-
Casino de la Vallée S.p.A.	-	-	-	-	-	1	-	-
Directors, Executives with strategic responsibilities and Statutory Auditors	-	1	499	-	-	-	61	-
Directors	-	-	15	-	-	-	16	-
Executives	-	1	441	-	-	-	-	-
Auditors	-	-	42	-	-	-	45	-
TOTAL	109,861	2,028	8,681	1,252	-	2,428	39,887	1,129

Revenues and other income with related parties

Euro thousands	2024			2023		
	Company	Revenues from sales and services	Other revenues and income	Financial income	Revenues from sales and services	Other revenues and income
Parent Company	-	-	-	-	9	-
<i>Finaosta S.p.A.</i>	-	-	-	-	9	-
CVA Group Companies	352,132	529	65,821	270,182	5,709	107,244
CVA Energie S.r.l.	347,006	65	29,107	266,392	82	87,918
CVA EOS S.r.l.	1,903	4	20,268	1,112	6	12,569
SR Investimenti S.r.l.	189	-	11,609	42	-	3,996
Agreen Energy S.r.l.	12	-	-	5	-	-
EOS San Giorgio S.r.l.	16	-	21	5	-	1
EOS Monte Rughe S.r.l.	12	-	-	5	-	-
Valdigne Energie S.r.l.	656	-	1,545	698	-	1,033
CVA Smart Energy S.r.l.	71	-	1,729	6	-	437
R.T.S. S.r.l.	95	-	173	30	-	44
Nuova Energia S.r.l.	21	1	99	1	-	17
Deval S.p.A.	1,947	458	1,024	1,886	450	1,230
Bonifiche Ferraresi S.p.A.	-	-	180	-	-	-
R.S. SERVICE S.r.l.	16	-	-	-	-	-
REN 167 S.r.l.	16	-	7	-	-	-
REN 170 S.r.l.	16	-	24	-	-	-
REN 207 S.r.l.	-	-	3	-	-	-
REN 208 S.r.l.	16	-	16	-	-	-
Renergetica S.p.A.	95	-	-	-	-	-
Solar Italy VII S.r.l.	-	-	1	-	-	-
Solar Italy X S.r.l.	-	-	1	-	-	-
Solar Italy XX S.r.l.	-	-	1	-	-	-
Solar Italy XXVI S.r.l.	-	-	7	-	-	-
SUNNERG GROUP S.R.L.	42	-	-	-	-	-
SV Land S.r.l.	-	-	7	-	-	-
Associated Companies	7	-	203	6	-	224
Téléchauffage Aoste S.r.l.	7	-	203	6	-	224
Finaosta Group Companies	-	164	-	-	237	-
Cervino S.p.A.	-	109	-	-	140	-
Monterosa S.p.A.	-	55	-	-	98	-
Valle d'Aosta Region and its investees	-	331	-	-	325	-
Valle d'Aosta Region	-	33	-	-	26	-
Council of the Valle d'Aosta Region	-	297	-	-	299	-
S.A.V. S.p.A.	-	-	-	-	-	-

Euro thousands		2024			2023		
Company	Revenues from sales and services	Other revenues and income	Financial income	Revenues from sales and services	Other revenues and income	Financial income	
Directors, Executives with strategic responsibilities and Statutory Auditors	-	18	-	-	18	-	
Directors	-	-	-	-	4	-	
Executives	-	18	-	-	15	-	
TOTAL	352,139	1,042	66,024	270,188	6,300	107,468	

Costs and expenses with related parties

Euro thousands		2024			2023		
Company	Operating costs	Amortisation, depreciation and interest IFRS 16	Financial expenses	Operating costs	Amortisation, depreciation and interest IFRS 16	Financial expenses	
CVA Group Companies	2,251	-	1,372	7,073	-	19	
CVA Energie S.r.l.	1,528	-	1,198	1,574	-	-	
CVA EOS S.r.l.	-	-	66	-	-	19	
Valdigne Energie S.r.l.	-	-	107	-	-	1	
Deval S.p.A.	1	-	-	5,456	-	-	
CVA SMART ENERGY S.r.l.	-	-	2	-	-	-	
NUOVA ENERGIA S.r.l.	723	-	-	4	-	-	
R.T.S. S.r.l.	-	-	-	39	-	-	
Associated Companies	11	-	-	-	-	-	
Téléchauffage Aoste S.r.l.	11	-	-	-	-	-	
Finaosta Group Companies	66	117	51	1	-	-	
Cervino S.p.A.	1	-	-	1	-	-	
Monterosa S.p.A.	65	-	-	-	-	-	
Struttura VdA S.r.l.	-	117	51	-	-	-	
Valle d'Aosta Region and its investees	25,260	1	1	24,452	29	13	
Valle d'Aosta Region	25,257	1	1	24,387	29	13	
Inva S.p.A.	-	-	-	65	-	-	
S.A.V. S.p.A.	3	-	-	3	-	-	
Directors, Executives with strategic responsibilities and Statutory Auditors	1,907	-	-	1,367	-	-	
Directors	151	-	-	164	-	-	
Executives	1,671	-	-	1,118	-	-	
Auditors	84	-	-	85	-	-	
TOTAL	29,495	119	1,424	32,892	29	32	

Relations with subsidiaries and other CVA Group companies

The main relations with related parties involve subsidiaries and other CVA Group companies. More specifically, the nature of these Intra-group relations is related to the following aspects:

- tax consolidation: the company, as regards the IRES tax, opted for the taxation regime pursuant to Art. 117 of the TUIR Tax Code, Presidential Decree 917/86 the "National Tax Consolidation" with its subsidiaries. In particular, the agreement provides for the determination of a taxable income for the purposes of unitary IRES for the consolidating company CVA, resulting from the algebraic sum of the positive and negative taxable income of the companies adhering to the agreement. With respect to the transfer to the parent company of tax losses, exceeding of Gross Operating Income or non-deductible interest rates, the Subsidiaries is paid a fee that takes into account their concrete possibility of fully exploiting the resulting tax advantage;
- Group VAT settlement: the Company has adhered to the Group VAT settlement regime, including CVA TRADING, VALDIGNE ENERGIE, CVA EOS within the scope;
- Centralised treasury: current account contracts are in place between the parent company and its subsidiaries, in order to guarantee centralised treasury to better manage the availability and provision of infra-group liquid resources;
- loans: the Company has granted long-term interest-bearing loans to its subsidiaries at market rates (at the time of signing);
- Outsourcing services: these are accounting and tax services (accounting, tax consultancy, cash management, UTF management, accounting unbundling for ARERA and other administrative services of various kinds), financial and treasury management services, technical services (services regarding the environment and safety at work and services related to real estate), auditing and supervisory services pursuant to Legislative Decree 231/2001, budgeting and management control services, fixed asset management services, legal services, communication and information technology services, personnel and human resources management services, purchasing and procurement management services, staff services;
- business relations: the parent company and the companies belonging to the Group have commercial relations of various kinds, regulated at market conditions. The main relations are held with CVA ENERGIE and have concerned the following aspects:
 - supply of electricity by CVA ENERGIE;
 - CVA has benefited from the service offered by the subsidiary regarding the management and determination of tariff concessions due to some employees as users of the Greater Protection service;
 - the Company sold to its subsidiary the energy generated with the plants it owns;
 - the Company sold to the subsidiary the Guarantees of Origin on the production of energy from a renewable source;
- dividends: the Company has acquired the right to obtain dividends approved by its subsidiaries;
- other services: in addition to the above, the parent company and the companies belonging to the Group hold further relations, of which the main ones include support services for the management of plants, the leasing of instrumental properties and the recharging of services purchased from third parties.

Relations with other related parties

The subsidiaries of FINAOSTA, the Region and its direct subsidiaries have been qualified as related parties; relations with these parties are mainly of a commercial nature and pertain to services provided to all customers or, in the specific case of the Region, deriving from economic relations between the concession-holder and the concessionaire with reference to hydroelectric concessions. The fees due to the Region for the exploitation of water for hydroelectric purposes are, in fact, of paramount importance with their value of Euro 24,005 thousand.

It should be noted that the accounting treatment as required by IFRS 16 has led to the emergence of fixed assets and financial liabilities attributable to lease contracts with related parties. Specifically, these are fees for crossings due to the Region.

Instead, as regards the members of the Board of Directors and the Board of Statutory Auditors, there are no further relations in addition to the offices held at the Company and from which the related remuneration and economic benefits derive.

Managers of the company with the power to direct its strategies are also considered related parties. For this reason, the costs to related parties include the remuneration paid to them.

Fees of the Corporate Bodies

Below is the information concerning the fees paid to directors and statutory auditors, as well as to members of the Supervisory Body pursuant to Art. 2427, point 16 of the Civil Code:

Type of services in Euro	2024 fees	2023 fees
Directors' fees	112,048	112,718
Auditors' fees	84,240	84,679
Supervisory Body fees	12,090	10,719

Information Pursuant to Art. 1 Paragraph 125, of Law no. 124 of 4 August 2017

Law 124 of 4 August 2017, Article 1, paragraphs 125-129 (Annual Law on the Market and Competition), introduced new disclosure requirements regarding the transparency of public funding received and granted.

This discipline has recently been modified by Art. 35 of Decree-Law No. 34/2019 ("Growth Decree"), which has limited the obligations of transparency, excluding from the perimeter the advantages received by the beneficiary on the basis of a general regime (tax facilitations, contributions that are given to all those who meet certain conditions). The transparency rules of Law No. 124/2017 are therefore focused on bilateral relations, in which a given entity in the public sphere attributes an advantage to a particular entity in the third sector or to a specific company. As a result of this new legislation, tax facilitations were not taken into account, as they were general and not individual measures. The reporting criterion to be followed is the "cash criterion". Contributions are expressed gross of any withholding and/or other compensation.

In light of the above, the grants (contributions, paid tasks, economic benefits) received by public administrations are summarised below.

Disbursing party	Amounts in Euro	Reason	Notes
GSE S.p.A.	881,759.41	GRIN incentive - Convention 000023	Incentive published on the website of GSE
GSE S.p.A.	428,187.43	GRIN incentive - Convention 000648	Incentive published on the website of GSE
GSE S.p.A.	403,640.53	GRIN incentive - Convention 001579	Incentive published on the website of GSE
GSE S.p.A.	2,008,637.79	GRIN incentive - Convention 000889	Incentive published on the website of GSE
GSE S.p.A.	7,773.66	Feed-In Tariff - Convention S01B00319806	Incentive published on the website of GSE

Independent auditors' fees

For the information required pursuant to Article 2427 point 16-bis of the Civil Code, reference is made to the relative note of the Consolidated Financial Statements.

Significant events after year-end

Pursuant to Article 2427, paragraph 1, number 22-quater of the Civil Code, with reference to significant events occurring after the end of the year, please refer to the information in the appropriate section of the Report on Operations.

Proposal of the Board of Directors to the Shareholders' Meeting

To the Sole Shareholder

We submit for your approval the Company's financial statements as at 31 December 2024, which show a profit of Euro 203,962,415.79. We propose to distribute an amount of Euro 85,004,000, corresponding to approximately 41.67% of the profit, and to proceed with the balance as decided by the Shareholders' Meeting.

Châtillon, 28 May 2025

CEO
Giuseppe Argirò



Chair
Marco Cantamessa



REPORTS AND ANNEXES



Report of the Independent Auditors



Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux Group

Consolidated financial statements as at December 31, 2024

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, and article 10 of EU Regulation n. 537/2014

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Sole Shareholder of
Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Compagnia Valdostana delle Acque – Compagnie Valdôtaine des Eaux Group (the Group), which comprise the Consolidated Balance Sheet Assets and Liabilities as at December 31, 2024, and the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of changes in equity items and the Consolidated Cash Flow Statement for the year then ended, and Notes to the Consolidated Financial Statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Impairment Test of Goodwill</p> <p>As of December 31, 2024, goodwill amounts to Euro 471.077 thousand and refers for Euro 173.544 thousand to the “Hydroelectric” cash generating unit (“CGU”), for Euro 250.234 thousand to the “Other RES” CGU, for Euro 39.403 thousand to the “Energy Efficiency” CGU and for Euro 7.896 thousand to the “Distribution” CGU.</p> <p>Based on the impairment test performed as of December 31, 2024, the recoverable amount of the CGUs did not highlight any impairment loss. The processes and methodologies used by the Group to evaluate and determine the recoverable amount of each CGU are based on assumptions that are in some cases complex and that, due to their nature, imply the use of judgement by Management, in particular with reference to the forecast of future cash flows and to the estimate of the long-term growth and discount rates applied to the future cash flow. Considering the level of judgment required and the complexity of the assumptions applied in estimating the recoverable amount of goodwill, we considered this area a key audit matter. The Disclosure related to the assessment of goodwill are reported in Note 15 “Goodwill,” in the section “Summary of the main accounting standards adopted in preparing the Consolidated Financial Statements” in the paragraph “Goodwill,” and in the section “Significant Accounting Estimates” in the paragraph “Impairment test.</p>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> ▶ the assessment of the processes implemented by the Company with reference to the criteria and methodology of the impairment test; ▶ the validation of the CGUs perimeter and test of the allocation of the carrying value of the Group’s assets to each CGU; ▶ the assessment of the reasonableness of the future cash flow forecasts utilized in the fair value determination; ▶ the assessment of the consistency of the future cash flow forecasts of the CGU with the Group business plan; ▶ the assessment of forecasts in light of their historical accuracy; ▶ the assessment of the reasonableness of long-term growth rates and discount rates. <p>In performing our analysis, we involved our experts in valuation techniques, who performed an independent recalculation and carried out sensitivity analyses on the key assumptions in order to determine which changes in the assumptions could materially affect the recoverable amounts.</p> <p>Lastly, we reviewed the adequacy of the disclosure provided in the notes to the financial statements with regard to the valuation of goodwill.</p>

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the 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, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee (“Collegio Sindacale”) is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated

financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The Sole Shareholder of Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A., in the general meeting held on March 15, 2022, engaged us to perform the audits of the consolidated financial statements for each of the years ending from December 31, 2021 to December 31, 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010

The Directors of Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A. are responsible for the preparation of the Report on Operations of Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A. Group as at December 31, 2024, including its consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations with the consolidated financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations, excluding the section related to the consolidated sustainability information;
- issue a statement on any material misstatement in the Report on Operations.

In our opinion, the Report on Operations is consistent with the consolidated financial statements of Compagnia Valdostana delle Acque–Compagnie Valdôtaine des Eaux Group as at December 31, 2024. Furthermore, in our opinion, the Report on Operations, excluding the section related to the consolidated sustainability information, complies with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the Report on Operations related to consolidated sustainability information. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of (EU) Regulation 2020/852 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree No. 39 dated 27 January 2010.

Turin, June 12, 2025

EY S.p.A.

Signed by: Ettore Abate, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Independent auditor's report on the limited assurance of the Consolidated Sustainability Reporting in accordance with Article 14-bis of Legislative Decree n. 39, dated 27 January 2010

(Translation from the original Italian text)

To the Sole Shareholder of
Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A.

Conclusions

We have been appointed to perform a limited assurance engagement pursuant to Articles 8 and 18, comma 1 of Legislative Decree n. 125 dated 6 September 2024 (hereinafter also referred to as the "Decree") on the Consolidated Sustainability Reporting of Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. and its subsidiaries (hereinafter "Group" or "CVA Group") for the year ended on 31 December 2024, prepared in accordance with Article 4 of the Decree, included in the specific section of the Management Report.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the CVA Group's Consolidated Sustainability Reporting for the year ended on 31 December 2024, has not been prepared, in all material aspects, in accordance with the reporting principles adopted by the European Commission pursuant to European Directive 2013/34/EU (European Sustainability Reporting Standards, hereinafter also referred to as "ESRS");
- the information included in the paragraph "European Taxonomy - Information pursuant to Article 8 of Regulation 2020/852" of the Consolidated Sustainability Reporting has not been prepared, in all material aspects, in accordance with Article 8 of European Regulation n. 852 dated 18 June 2020 (hereinafter also referred to as "Taxonomy Regulation").

Elements Underlying the Conclusions

We have performed a limited assurance engagement in accordance with the Sustainability Reporting Assurance Standard ("Principio di Attestazione della Rendicontazione di sostenibilità") - SSAE (Italy). The procedures performed in this type of engagement vary in nature and timing compared to those necessary for conducting an engagement aimed at obtaining a reasonable level of assurance and are also less extensive. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained if the engagement aimed to acquire a reasonable level of assurance. Our responsibilities under this Standard are further described in the section "Auditor's responsibility for the Assurance on the Consolidated Sustainability Reporting" of this report.

We are independent in accordance with the standards and principles regarding ethics and independence applicable to the assurance engagement of the Consolidated Sustainability Reporting according to Italian law.

Our audit firm applies the International Standard on Quality Control (ISQM Italy) 1, under which it is required to establish, implement, and operate a quality management system that includes instructions and procedures on compliance with ethical principles, professional principles, and applicable legal and regulatory provisions.

We believe we have obtained sufficient and appropriate evidence on which to base our conclusions.

Other Matters

The Consolidated Sustainability Reporting of CVA Group for the year ended 31 December 2024 contains, in the specific section titled "European Taxonomy - Information pursuant to Article 8 of Regulation 2020/852", the comparative information required by Article 8 of the Taxonomy Regulation referred to the year ended 31 December 2023, which are unaudited.

Responsibility of the Directors and Those Charged with Governance for the Consolidated Sustainability Reporting

The Directors are responsible for the development and implementation of procedures used to identify the information included in the Consolidated Sustainability Reporting in accordance with the requirements of the ESRS (hereinafter referred to as the "Relevance assessment process") and for the description of such procedures in the paragraph "[IRO-1] Description of the processes for identifying and assessing relevant climate-related impacts, risks and opportunities" of the Consolidated Sustainability Reporting.

The Directors are also responsible for the preparation of the Consolidated Sustainability Reporting, which contains the information identified through the Relevance assessment process, in accordance with the requirements of Article 4 of the Decree, including:

- compliance with the ESRS;
- compliance with Article 8 of the EU Taxonomy Regulation regarding the information contained in the paragraph "European Taxonomy - Information pursuant to Article 8 of Regulation 2020/852".

This responsibility entails the establishment, implementation, and maintenance, as required by law, for that part of internal control that they consider necessary in order to allow the preparation of the Consolidated Sustainability Reporting in accordance with the requirements of Article 4 of the Decree, free from material misstatements caused by fraud or not intentional behaviors or events. This responsibility also includes the selection and application of appropriate methods for processing the information as well as the development of assumptions and estimates regarding specific sustainability information that are reasonable under the circumstances.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the compliance with the requirements of the Decree.

Intrinsic Limitations in the Preparation of the Consolidated Sustainability Reporting

As indicated in Chapter "ESRS 2 - GENERAL DISCLOSURES", paragraph "[SBM-1] Strategy, business model and value chain", for the purpose of reporting prospective information in accordance with the ESRS, the Directors are required to prepare such information based on assumptions, described in the Consolidated Sustainability Reporting, regarding events that may occur in the future and possible future actions by the Group. Due to the uncertainty associated with the realization of any future events, both concerning the occurrence itself and regarding the extent and timing of its occurrence, the variations between actual values and prospective information could be significant.

As indicated in chapter "ESRS E1 - CLIMATE CHANGE", paragraph "[E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions", the information related to Scope 3 greenhouse gas emissions is subject to greater intrinsic limitations compared to Scope 1 and 2, due to the limited availability and accuracy of the information used to define such information, both quantitative and qualitative, as well as due to reliance on data, information, and evidence provided by third parties.

Auditor's responsibility for the Assurance of the Consolidated Sustainability Reporting

Our objectives are to plan and perform procedures to obtain a limited level of assurance that the Consolidated Sustainability Reporting is free from material misstatements, due to fraud or not intentional behaviors or events, and to issue a report containing our conclusions. Errors may arise from fraud or not intentional behaviors or events and are considered significant if it can be reasonably expected that they, individually or in the aggregate, could influence the decisions made by users based on the Consolidated Sustainability Reporting.

In the context of the engagement aimed at obtaining a limited level of assurance in accordance with the Sustainability Reporting Assurance Standard ("Principio di Attestazione della Rendicontazione di Sostenibilità") - SSAE (Italy), we exercised professional judgment and maintained professional skepticism throughout the duration of the engagement.

Our responsibilities include:

- considering the risks to identify the information in which a significant error is likely to occur, whether due to fraud or not intentional behaviors or events;
- defining and performing procedures to verify the information in which a significant error is likely to occur. The risk of not detecting a significant error due to fraud is higher than the risk of not detecting a significant error arising from not intentional behaviors or events, as fraud may involve collusion, forgery, intentional omissions, misleading representations, or manipulation of internal controls;
- directing, supervising, and conducting the limited assurance of the Consolidated Sustainability Reporting and assuming full responsibility for the conclusions regarding the Consolidated Sustainability Reporting.

Summary of the Work Performed

An engagement aimed at obtaining a limited level of assurance involves performing procedures to obtain evidence as a basis for formulating our conclusions.

The procedures performed on the Consolidated Sustainability Reporting were based on our professional judgment and included interviews, primarily with the company personnel responsible for preparing the information included in the Consolidated Sustainability Reporting, as well as documents analysis, recalculations and other procedures aimed to obtain evidence considered appropriate.

In particular, we performed the following procedures, partly in a preliminary phase before the end of the year and subsequently in a final phase up to the date of issuance of this report:

- understanding the business model, the Group's strategies, and the context in which it operates concerning sustainability issues;

- understanding the processes underlying the generation, detection, and management of the qualitative and quantitative information included in the Consolidated Sustainability Reporting, including the analysis of the reporting perimeter;
- understanding the process implemented by the Group for identifying and assessing relevant impacts, risks, and opportunities based on the principle of Double Materiality concerning sustainability issues and verifying the related information included in the Consolidated Sustainability Reporting;
- identifying the information for which there is a likelihood of a significant error risk;
- defining and performing analytical and substantive procedures, based on our professional judgment, to address the identified significant error risks, including:
 - for the information collected at the Group level:
 - carrying out inquiries and document analysis regarding qualitative information, particularly policies, actions, and targets on sustainability issues, to verify consistency with the evidence collected;
 - performing analytical procedures and limited assurance procedures on a sample basis regarding quantitative information;
 - for the information collected at site level, conducting on-site visits for RS Service S.r.l. (Genova site). This site was selected based on its activities and its relevance to the metrics of the Consolidated Sustainability Reporting. During these visits, we conducted interviews with Group personnel and obtained documentary evidence regarding the determination of the metrics;
- regarding the requirements of Article 8 of the EU Taxonomy Regulation, understanding the process implemented by the Group to identify eligible economic activities and determine their aligned nature based on the provisions of the EU Taxonomy Regulation, and verifying the related information included in the Consolidated Sustainability Reporting;
- cross-checking the information reported in the Consolidated Sustainability Reporting with the information contained in the consolidated financial statements in accordance with the applicable financial reporting framework or with the accounting data used for the preparation of the consolidated financial statements or with the management data of an accounting nature;
- verifying the structure and presentation of the information included in the Consolidated Sustainability Reporting in accordance with the ESRS;
- obtaining letter of representations.

Turin, June 12th 2025

EY S.p.A.

Signed by: Ettore Abate, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A.

Financial statements as at December 31, 2024

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010, and article 10 of EU Regulation n.

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Sole Shareholder of
Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. (the Company), which comprise the Balance Sheet Assets and Liabilities as at December 31, 2024, and the Income Statement, the Statement of Other Comprehensive Income, the Statement of changes in equity items and the Cash Flow Statement for the year then ended, and Notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Impairment test of Goodwill</p> <p>As of December 31, 2024, goodwill amounts to Euro 172,876 thousand and refers entirely to the cash-generating unit (“CGU”) “Hydroelectric”.</p> <p>Based on the impairment test performed as of December 31, 2024, the recoverable amount of the CGU did not highlight any impairment loss. The processes and methodologies used to evaluate and determine the recoverable amount of the CGU are based on assumptions that are in some cases complex and that, due to their nature, imply the use of judgment by Management, in particular with reference to the forecast of future cash flows and to the estimate of the long-term growth and discount rates applied to the future cash flow.</p> <p>Considering the level of judgment required and the complexity of the assumptions applied in estimating the recoverable amount of goodwill, we considered this area a key audit matter. The Disclosure related to the assessment of goodwill are reported in Note 15 “Goodwill” and in the note “Use of estimates” of the financial statements.</p>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> ▶ the assessment of the processes implemented by the Company with reference to the criteria and methodology of the impairment test; ▶ the validation of the CGU perimeter and test of the allocation of the carrying value of the Company’s assets to the CGU; ▶ the assessment of the reasonableness of the future cash flow forecasts utilized in the fair value determination; ▶ the assessment of the consistency of the future cash flow forecasts of the CGU with the business plan; ▶ the assessment of forecasts in light of their historical accuracy; ▶ the assessment of the reasonableness of long-term growth rates and discount rates. <p>In performing our analysis, we involved our experts in valuation techniques, who performed an independent recalculation and carried out sensitivity analyses on the key assumptions in order to determine which changes in the assumptions could materially affect the recoverable amount.</p> <p>Lastly, we reviewed the adequacy of the disclosure provided in the notes to the financial statements with regard to the valuation of goodwill.</p>

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the 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, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The Sole Shareholder of Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A., in the general meeting held on March 15, 2022, engaged us to perform the audits of the financial statements for each of the years ending from December 31, 2021 to December 31, 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010

The Directors of Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. are responsible for the preparation of the Report on Operations of Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. as at December 31, 2024, including its consistency with the related financial statements and their compliance with the applicable laws and regulations. We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations with the financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations, excluding the section related to the consolidated sustainability information;
- issue a statement on any material misstatement in the Report on Operations.

In our opinion, the Report on Operations is consistent with the financial statements of Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. as at December 31, 2024.

Furthermore, in our opinion, the Report on Operations, excluding the section related to the consolidated sustainability information, complies with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Our opinion on compliance with applicable laws and regulations does not extend to the section of the Report on Operations related to consolidated sustainability information. The conclusion on the compliance of this section with the applicable standards governing its preparation criteria and the compliance with the disclosure requirements pursuant to article 8 of (EU) Regulation 2020/852 are formulated by us in the attestation report pursuant to article 14-bis of Legislative Decree No. 39 dated 27 January 2010.

Turin, June 12, 2025

EY S.p.A.

Signed by: Ettore Abate, Auditor

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Report of the Board of Statutory Auditors

REPORT OF THE BOARD OF STATUTORY AUDITORS

TO THE SHAREHOLDERS' MEETING PURSUANT TO ARTICLE 2429, PARAGRAPH 2, CIVIL CODE.

To the Shareholders' Meeting of the Company C.V.A. s.p.a. a s.u.

During the year ended 31 December 2024, our audit was inspired by the provisions of the Law and the *Rules of Conduct* of the Board of Auditors of unlisted companies issued by the National Council of Chartered Accountants and Accounting Experts.

▪ ***Supervisory activities***

We attended the Shareholders' Meetings and Board of Directors' Meetings, during which, in relation to the transactions approved, on the basis of information acquired, there were no violations of the law or the articles of association, nor of any transactions which were manifestly imprudent or risky, in potential conflict of interest or such to put the company's equity at risk.

During the meetings held, the administrative body and company structures provided us with information on the general performance of the company and its business outlook and the most significant transactions for their size or nature, carried out by the Company and its subsidiaries. Based on the information acquired, we have no particular observations to report.

We acquired information from the statutory auditor of accounts during the meeting held and, with respect to as reported, no significant data and information emerged that require highlighting in this report.

We acquired information from the Auditors of the subsidiaries during the meetings held and no significant data and information emerged that require highlighting in this report.

We acquired information from the Supervisory Body and no critical issues emerged with respect to the organisational model that require highlighting in this report.

We acquired information and monitored, insofar as competent to do so, the adequacy and functioning of the internal control system and attest that all the directives, procedures and operating practices adopted by the company are suitable for achieving the strategic, operating, and compliance objectives.

We acquired knowledge of and supervised, to the extent of our competence, the adequacy and functioning of the company's organisational structure, including through the collection of information from the heads of functions and, in this regard, we note that the structure of the CVA Group, as of 2023, has been considerably expanded through the acquisition of corporate groups operating in the renewable energy sector and companies active in the energy efficiency sector. For these reasons, a corporate and administrative reorganisation is underway, which, given its complexity, will continue into 2025. The continuation of the process of consolidation and rationalisation, through mergers by incorporation, of the investee companies implemented by the CVA group also responds to the invitation contained in Resolution no. 4204/XVI of the Regional Council of 18 December 2024.

We acquired knowledge and monitored, to the extent of our competence, the adequacy and functioning of the administrative-accounting system, as well as the reliability of the latter to correctly represent operating events, by obtaining information from the heads of functions, from the person in charge of the statutory

audit of the accounts and by examining company documents, and in this regard the critical issues that arose in the preparation of the consolidated financial statements of the previous year, following the increase in the scope of consolidation, are progressively being overcome. The inconsistencies in the accounting programmes used by the acquired companies are being resolved and accounting integration should be completed during 2025.

No reports were received pursuant to article 2408 of the Civil Code.

We made no reports to the administrative body pursuant to article 15 of Decree-Law No. 118/2021.

During the financial year, in its capacity as Internal Control and Accounting Audit Committee (CCIRC), 3 opinions were issued and an acknowledgement was given regarding the verification of the independence of the auditing firm.

In the course of the supervisory activity, as described above, no other significant facts emerged that would require mention in this report.

▪ ***Supervisory activities pursuant to Legislative Decree no. 39/2010***

Article 19 of Legislative Decree 39/2010 identifies the Internal Control and Audit Committee in the Board of Statutory Auditors (for companies administered using the traditional method) and assigns the following specific tasks to it:

- a) informing the administrative body of the audited entity of the outcome of the statutory audit and sending the additional report referred to in article 11 of the European Regulation to this body, accompanied by any observations;
- b) monitoring the process of financial reporting and, where applicable, of individual or consolidated sustainability reporting, including the use of the electronic format referred to in Articles 3(11) and 4(10) of the Legislative Decree adopted in implementation of Article 13 of Law no. 15 of 21 February 2024, and the procedures implemented by the company for the purposes of complying with the reporting standards adopted by the European Commission pursuant to Article 29-ter of Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, as well as presenting the recommendations or proposals aimed at ensuring their integrity;
- c) monitoring the effectiveness of the internal quality control and risk management systems of the company and, where applicable, of the internal audit, as regards the financial information of the audited entity, without violating its independence;
- d) monitoring the statutory audit of the annual financial statements and the consolidated financial statements, also taking into account any results and conclusions of the quality controls performed by CONSOB pursuant to article 26, paragraph 6, of the European Regulation, where available;
- e) verifying and monitoring the independence of statutory auditors or statutory auditing companies pursuant to articles 10, 10-bis, 10-ter, 10-quater and 17 of this decree and article 6 of the European Regulation, in particular as regards the adequacy of the provision of non-audit services to the audited entity, in accordance with article 5 of said regulation;
- f) being responsible for the procedure for the selection of statutory auditors or independent auditors and recommending statutory auditors or independent auditors to be appointed pursuant to article 16 of the European Regulation.

With reference to the activities provided by Legislative Decree 39/2010, the following is noted:

1) Information to the Board of Directors on the outcome of the statutory audit and the additional report pursuant to art. 11 of the European Regulation.

On 12 June 2025, the independent auditors EY s.p.a. issued the additional report pursuant to article 11 of Regulation no. 537/2014, from which no elements to report emerged and which will be sent with our comments to the company's Board of Directors.

2) Supervisory activities on the financial reporting process

The Board of Statutory Auditors has served as CCIRC since 22 November 2021; during the financial year ended 31 December 2024, it monitored the financial reporting and the consolidated sustainability reporting process, with specific meetings with the Administration, Finance Control and Services Department, the functions concerned and the independent auditors.

3) Supervisory activities on the internal control system

The Board of Statutory Auditors has been in charge of the CCIRC since 22 November 2021; during the financial year ended 31 December 2024, it supervised the effectiveness of the internal control system in light of the tasks assigned by article 19, with specific meetings with the Administration, Finance, Control and Services Department, the functions concerned and the independent auditors.

4) Supervisory activities on the statutory audit of the annual financial statements and consolidated financial statements

The Board of Statutory Auditors met with the audit team on several occasions to discuss and update the planning and progress of the auditing activities.

On 12 June 2025, the independent auditors issued the audit report on the annual financial statements at 31 December 2024 of CVA spa a s.u., the audit report on the 2024 consolidated financial statements, the report on the limited assurance of the consolidated sustainability report and the additional report pursuant to art. 11 Regulation 537/2014.

In particular, it should be noted that the aforementioned reports contain an unqualified opinion on the separate and consolidated financial statements for 2024.

5) Verification of the independence of the independent auditors, in particular as regards the provision of non-audit services

The Board of Statutory Auditors monitored the independence of the independent auditors, with specific focus on the assignments other than auditing services performed for the CVA group.

6) Supervisory Activities on Consolidated Sustainability Reporting (CSRD)

On 16 December 2022, Directive No. 2022/2464 on Corporate Sustainability Reporting Directive (CSRD) was published in the EU Official Journal.

The CSRD amended Directive 2013/34/EU on the disclosure of non-financial information for large companies. Italy implemented the Directive with Legislative Decree No. 125 of 6 September 2024, which was published in the Official Journal on 10 September 2024 and entered into force on 25 September 2024.

The main objective of CSRD is to improve sustainability reporting, thereby equalising the relevance of ESG results with those reported in traditional statutory financial statements, recognising their natural connection.

The Consolidated Sustainability Report has been included within the Report on Operations in order to ensure

greater integration between financial and non-financial information.

To ensure greater comparability between *disclosures*, it was necessary to adopt the ESRS (European Sustainability Reporting Standards) reporting standard, the development of which is delegated to the EFRAG (European Financial Reporting Advisory Group).

In fact, companies are required to provide sustainability information both on the impact of their activities on people and the environment (*inside-out* approach) and on how sustainability factors affect them and their results (*outside-in* approach), in a so-called 'double materiality' approach.

The Board of Statutory Auditors notes that the responsibility for ensuring that the report is prepared and published in accordance with the provisions of the law lies with the Directors.

The supervisory body must monitor compliance with the provisions of Legislative Decree No. 125/2024.

As part of this activity, the Board of Statutory Auditors monitored the existence of an adequate organisational, administrative, reporting and control system set up by the Company aimed at allowing a true, fair and complete representation of the sustainability *report* . To this end, the Board met with the members of the External Relations and Sustainability Department who are in charge of the process of preparing the sustainability *report* , acquiring information on: the materiality analysis carried out by the Company to define the areas of the sustainability *report* relevant to the CVA Group; the involvement of subsidiaries; the procedures and operational tools adopted to collect data/information and their subsequent analysis, control, and consolidation.

Consolidated sustainability reporting is subject to *limited assurance*.

The Board of Statutory Auditors informs the Shareholder that the Board of Directors has decided against awarding a new engagement, considering it beneficial for the Company and the CVA Group to maintain the engagement previously awarded to EY S.p.A. as valid. In view of the additional procedures that the auditor was required to perform in connection with the new CSRD provisions, the originally agreed remuneration was supplemented by an amount of EUR 145,000 for each remaining year of the mandate.

The determination of the additional remuneration was agreed upon after discussions between the appropriate corporate bodies and EY S.p.A., based on criteria established when the original mandate was issued; consequently, it was unnecessary to bring the decision regarding this supplementation to the Shareholders' Meeting, as the Board of Directors, being the competent authority, had already addressed it.

The Board of Statutory Auditors met with representatives of the aforementioned auditing firm and examined the report pursuant to Article 14-bis of Legislative Decree no. 39/2010 on consolidated sustainability reporting, issued on 12 June 2025.

Since the work performed by EY S.p.A. in connection with the sustainability *report* is a limited assurance review, the opinion is expressed in negative terms as follows:

“Based on the work carried out, nothing has come to our attention that would lead us to believe that:

- the consolidated sustainability reporting of the CVA Group for the year ended 31 December 2024 has not been prepared, in all material respects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (*European Sustainability Reporting Standards*, hereinafter also referred to as 'ESRS');
- the information contained in the section "*European Taxonomy*" of the consolidated sustainability report has not been prepared, in all material respects, in accordance with Article 8 of Regulation (EU)

No. 852 of 18 June 2020 (hereinafter also "Taxonomy Regulation")."

The Board of Statutory Auditors, also following meetings with the appointed function and the audit *team*, has no observations to report regarding the consolidated sustainability reporting.

▪ **Annual Financial Statements**

We have reviewed the draft Annual Financial Statements for the year ended 31 December 2024, which were approved by the Board of Directors on 28 May 2025.

As we are not responsible for the statutory audit of the financial statements, we have monitored the general format and its compliance with the law with regard to the formation and structure and in this regard, we have nothing to report.

The financial statements for the year ended 31 December 2024 comprise the statement of financial position, the income statement, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows and the related notes to the financial statements. The financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, and with the laws and regulations in force in Italy, and show the following data (Euro thousands):

Profit for the year Euro 203,962

Total assets Euro 2,192,005

Equity Euro 1,129,088

The note contains the information required by Art. 2427 of the Civil Code and the information required by Art. 2427-bis of the Civil Code, relating to derivative financial instruments and for financial fixed assets recorded at a value higher than their fair value; the note provides full information on commitments, guarantees and potential liabilities not shown in the balance sheet. The notes contain the information required by article 1 paragraph 125 of Law No. 124/2017 on the obligation of transparency and disclosure of public disbursements received/collected during the financial year 2024.

The report on operations contains the information required by art. 2428 Civil Code.

On 12 June 2025, the independent auditors EY spa issued the report drawn up pursuant to art. 14 of Legislative Decree 39/2010 containing a positive and unqualified opinion on the 2024 financial statements of CVA spa a s.u.

To our knowledge, the Directors, in drafting the financial statements, did not derogate from the rules of law pursuant to article 2423, paragraph 4, Civil Code.

▪ **Consolidated Financial Statements**

We have also examined the draft consolidated financial statements for the year ended 31 December 2024, which were made available to us in their final version on 28 May 2025, together with the draft financial statements of the parent company and the related reports on operations. The closing date of the financial statements of the companies included in the consolidation coincides with the reporting date of the financial statements of the consolidating company.

The Consolidated Financial Statements for the year 2024 consist of the Consolidated Statement of Financial

Position, the Consolidated Income Statement, the Statement of the other components of the Consolidated Comprehensive Income Statement, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related Notes to the Consolidated Financial Statements and show the following figures (Euro thousands):

Profit for the year Euro 218,770

Of which pertaining to the group € 213,240

Total assets Euro 2,622,109

Consolidated equity Euro 1,205,145

The scope of consolidation includes companies that the Parent Company directly or indirectly controls, joint ventures and associated companies; specifically, it includes the following group companies:

Companies included in the Consolidated Financial Statements on a line-by-line basis at 31 December 2024

COMPANY NAME	% INVESTMENT (DIRECT OR INDIRECT)
CVA Energie S.r.l. a s.u.	100.00%
Deval S.p.A. a s.u.	100.00%
CVA EOS S.r.l. a s.u.	100.00%
Valdigne Energie S.r.l.	75.00%
SR Investimenti S.r.l.	100.00%
Sunnerg Group S.r.l.	60.00%
Sunnerg Ltd	60.00%
Sunnerg Renewable Service S.r.l.	60.00%
Sunnerg Construction S.r.l.	60.00%
Eolica Cancellara S.r.l.	100.00%
Solar Italy IX S.r.l.	100.00%
Solar Italy VII S.r.l.	100.00%
Solar Italy X S.r.l.	100.00%
Solar Italy XII S.r.l.	100.00%
Solar Italy XX S.r.l.	100.00%
Solar Italy XXIV S.r.l.	100.00%
Solar Italy XXV S.r.l.	100.00%
Solar Italy XXVI S.r.l.	100.00%
Solar Italy XXVII S.r.l.	100.00%
SV LAND S.r.l.	100.00%
Mars Solar S.r.l.	100.00%
Tep Renewables (Vittoria 2 PV) S.r.l.	100.00%
Alpha Solare S.r.l.	100.00%
Gamma Sun S.r.l.	100.00%
Orbitale S.r.l.	100.00%
Byopro DEV 2 S.r.l.	100.00%
Agro Solar I S.r.l.	100.00%

Agro Solar II S.r.l.	100.00%
Aje S.r.l.	100.00%
Be Ascoli S.r.l.	100.00%
Corvo S.r.l.	100.00%
Denergia Sviluppo Holding S.r.l.	100.00%
Energia Due S.r.l.	100.00%
Energia Sei S.r.l.	100.00%
Energia Uno S.r.l.	100.00%
Enki Impianti Fotovoltaici S.r.l.	100.00%
Har Projects S.r.l.	100.00%
Helio Trinitapoli S.r.l.	100.00%
Lindo S.r.l.	100.00%
Me Progetto Uno S.r.l.	100.00%
Medusa Energia Solare S.r.l.	100.00%
Mottalciata.PV S.r.l.	100.00%
Nettuno Solar S.r.l.	100.00%
Onda Solare S.r.l.	100.00%
Sicilia Energy S.r.l.	100.00%
Solar Italy VIII S.r.l.	100.00%
Solar Italy XI S.r.l.	100.00%
SR Investimenti 2 S.r.l.	100.00%
Sviluppo S.r.l.	100.00%
Tridente Solar S.r.l.	100.00%
Valle S.r.l.	100.00%
Vivaterra Green S.r.l.	100.00%
Solar Italy XIX S.r.l.	100.00%
Solar Italy XXII S.r.l.	100.00%
Solar Italy XVIII S.r.l.	100.00%
Solar Italy XIII S.r.l.	100.00%
Solar Italy XXI S.r.l.	100.00%
Agreen Energy S.r.l.	70.00%
CVA Smart Energy S.r.l.	100.00%
R.T.S. S.r.l.	70.00%
EOS San Giorgio S.r.l.	100.00%
EOS Monte Rughe S.r.l.	70.00%
Nuova Energia S.r.l.	75.00%
RS Service S.r.l.	70.00%
Reenergetica S.p.A.	100.00%
REN 146 SRL	100.00%
REN 148 SRL	100.00%

REN 152 SRL	100.00%
REN 154 SRL	100.00%
REN 156 SRL	100.00%
REN 157 SRL	100.00%
REN 158 SRL	65.00%
REN 159 SRL	100.00%
REN 160 SRL	100.00%
REN 165 SRL	100.00%
REN 166 SRL	100.00%
REN 167 SRL	100.00%
REN 168 SRL	100.00%
REN 169 SRL	100.00%
REN 170 SRL	100.00%
REN 171 SRL	100.00%
REN 172 SRL	100.00%
REN 173 SRL	100.00%
REN 175 SRL	100.00%
REN 176 SRL	100.00%
REN 177 SRL	100.00%
REN 178 SRL	100.00%
REN 179 SRL	100.00%
REN 180 SRL	100.00%
REN 182 SRL	100.00%
REN 183 SRL	100.00%
REN 184 SRL	100.00%
REN 185 SRL	100.00%
REN 186 SRL	100.00%
REN 187 SRL	100.00%
REN 188 SRL	100.00%
REN 190 SRL	100.00%
REN 191 SRL	100.00%
REN 192 SRL	100.00%
REN 193 SRL	100.00%
REN 194 SRL	100.00%
REN 195 SRL	100.00%
REN 196 SRL	100.00%
REN 197 SRL	100.00%
REN 198 SRL	100.00%
REN 199 SRL	100.00%
REN 200 SRL	100.00%

REN 203 SRL	100.00%
REN 204 SRL	100.00%
REN 205 SRL	100.00%
REN 206 SRL	100.00%
REN 207 SRL	100.00%
REN 208 SRL	100.00%
REN 209 SRL	100.00%
REN 210 SRL	100.00%
REN 211 SRL	100.00%
REN 212 SRL	100.00%
REN 213 SRL	100.00%
REN 214 SRL	100.00%
REN 215 SRL	100.00%

List of equity investments not fully consolidated at 31 December 2024

COMPANY NAME	% INVESTMENT (DIRECT OR INDIRECT)
EOS San Severo 1 S.r.l.	20.00%
EOS Serra 1 S.r.l.	20.00%
EOS Serra 2 S.r.l.	20.00%
Byopro DEV 3 S.r.l.	20.00%
Cairone 1 S.r.l.	20.00%
Cairone 3 S.r.l.	20.00%
Clanis Sun S.r.l.	20.00%
Duna Solare S.r.l.	20.00%
Fila Sviluppo S.r.l.	20.00%
Fioriti S.r.l.	20.00%
GRIFONI PV S.r.l.	20.00%
Maiella Solare S.r.l.	20.00%
Nora Solare S.r.l.	20.00%
PFM S.r.l.	20.00%
Poggio Olivastro S.r.l.	20.00%
Salomone 1 S.r.l.	20.00%
San Giorgio Rinnovabili Prima S.r.l.	20.00%
Sant'Alessio Rinnovabili Prima S.r.l.	20.00%
Siamaggiore S.r.l.	20.00%
Sicilia Power S.r.l.	20.00%
Solar Liri S.r.l.	20.00%
Solar PV Uno S.r.l.	20.00%
Sole d'Abruzzo S.r.l.	20.00%
SR Foggia 1 S.r.l.	20.00%

SR Toritto 01 S.r.l.	20.00%
SR Troia 1 S.r.l.	20.00%
STM22 S.r.l.	20.00%
STM24 S.r.l.	20.00%
STM25 S.r.l.	20.00%
STM26 S.r.l.	20.00%
Tep Renewables (Chiamonte Gulfi 1 PV) S.r.l.	20.00%
Tep Renewables (Licodia Eubea 1 PV) S.r.l.	20.00%
Tep Renewables (Scicli 1 PV) S.r.l.	20.00%
Tep Renewables (Vittoria 1 PV) S.r.l.	20.00%
Vittoria Progetti S.r.l.	20.00%
Vittoria Sviluppi S.r.l.	20.00%
Fresagrandinara Wind S.r.l.	20.00%
Tufillo Wind S.r.l.	20.00%
Grande Rinnovabili S.r.l.	20.00%
SR Manfredonia 1 S.r.l.	20.00%
SR Manfredonia 2 S.r.l.	20.00%
Solar RF S.r.l.	20.00%
Rosa del Deserto 1 S.r.l.	20.00%
Telcha S.r.l.	10.98%

Pursuant to Art. 41(1) Legislative Decree 127/1991, the control that ascertains the regularity and correspondence of the consolidated financial statements with the accounting records of the parent company and the information sent by the companies included in the consolidation is delegated to the Company appointed for the Statutory Audit, EY spa, which, in the report issued on 12 June 2025, certified that "the Consolidated Financial Statements provide a true and correct representation of the assets and financial situation of the Group at 31 December 2024, of the economic result and of the cash flows for the year closed on the same date, in accordance with the International Financial Reporting Standards issued by the IASB as adopted by the European Union, and with the provisions issued in implementation of article 9 of Legislative Decree 28 February 2005 no. 38".

Within the scope of its tasks and duties, the Board of Auditors is therefore limited to acknowledging that it has reviewed the consolidated financial statements and the notes thereto, the report on operations and the report of the independent auditors; it believes that the scope of consolidation has been complied with and that the consolidation principles have been correctly applied and therefore has no observations, exceptions or proposals to submit to the Shareholder.

▪ **Conclusions**

Considering the results of the work we have performed and the opinion expressed in the audit report issued by the statutory auditor, we find no reason to prevent the shareholders from approving the financial statements for the year ended 31 December 2024 of C.V.A. S.p.A. a s.u., as prepared by the directors.

Saint-Christophe, 12 June 2025

The Board of Statutory Auditors

Massimo Scarrone, Chair _____

Federica Paesani, Standing Auditor _

Carmelo Marco Termine, Standing Auditor

