

2023

INTEGRATED FINANCIAL & SUSTAINABILITY REPORT

Table of Contents

MESSAGE FROM THE CEO	<u>04</u>
METHODOLOGICAL NOTE	<u>06</u>
REPOWER ITALIA'S SUSTAINABILITY MANIFESTO	<u>12</u>
I. MANAGEMENT REPORT	
1. Value creation at Repower: history, figures and... much care	<u>16</u>
Repower Group at a glance	<u>18</u>
The value chain	<u>26</u>
Production plants	<u>28</u>
Energy market value	<u>30</u>
Sound basis for efficient management	<u>34</u>
Business unit analysis	<u>34</u>
Consolidated financial analysis	<u>48</u>
Economic value generated and distributed (GRI 201)	<u>56</u>
Final macroeconomic aspects	<u>58</u>
Actual domestic market performance	<u>61</u>
Regulatory aspects	<u>64</u>
Risks and uncertainties	<u>86</u>
Significant events occurring after the end of the financial year	<u>92</u>
2024 Business Outlook and Targets	<u>92</u>
Research and development activities	<u>93</u>
Treasury shares and shares in subsidiaries	<u>93</u>
Intercompany and related party transactions	<u>94</u>
Corporate Governance	<u>96</u>
2. Sustainability pillars: the steps of integrated materiality	<u>98</u>
Materiality analysis (GRI 3)	<u>100</u>
The strategic sustainability plan	<u>110</u>
Ethical management	<u>118</u>
3. Social Responsibility: placing the value of people front and center	<u>122</u>
The heart of sustainability beats through growth in human resources (BC - GRI 401)	<u>124</u>
A "school of the future" as a way to better interpret the present (GRI 404)	<u>128</u>
Health, safety, welfare: when a person's individual value comes first (GRI 403)	<u>132</u>
Inclusion, accessibility and mixing: Repower's D&I mosaic (GRI 405)	<u>138</u>
Ethical sustainability: linking the entire supply chain (GRI 2)	<u>141</u>
Commercial network, the backbone of relationships with local customers	<u>142</u>
Giving substance to social commitment in the community (GRI 413)	<u>146</u>
4. Environmental Responsibility: in search of harmony with the territory	<u>152</u>
A production park geared toward innovation (GRI 302)	<u>154</u>
Solutions to accelerate customers' energy transition	<u>166</u>
2023 Greenhouse gas emission inventory (GRI 305)	<u>180</u>
Proper waste management and water consumption (GRI 303)	<u>186</u>
Ongoing respect for the environment (GRI 304)	<u>190</u>
II. CONSOLIDATED FINANCIAL STATEMENTS	
FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023	<u>194</u>
COMMENTARY NOTE (SUPPLEMENTARY NOTE)	<u>204</u>
FINANCIAL STATEMENTS SUMMARY OF THE COMPANY THAT CARRIES OUT MANAGEMENT AND COORDINATION ACTIVITIES	<u>258</u>
EXTERNAL AUDIT	<u>262</u>
III. ATTACHMENTS TO THE MANAGEMENT REPORT	
FINANCIAL ANNEXES	<u>272</u>
GRI CONTENT INDEX	<u>286</u>
ESG FRAMEWORK CORRELATION TABLES	<u>292</u>
GRI ANNEX TABLES	<u>298</u>
ACKNOWLEDGMENTS	<u>314</u>

Message from the CEO

- Last year Repower Italia presented its first sustainability report, a document drawn up on a voluntary basis which allowed us to take stock of a topic that we have always felt is part of our identity.

This year we decided to take a step further, presenting our first integrated report, which combines key data from the 2023 financial year with the main sustainability initiatives we have conducted.

This approach underlines the attention we place on **the value created by our activities**: we create business opportunities, because sustainability can only unleash its full potential when conceived as the flip side of economic activity, and this must be measured daily according to a logic of complementarity, synergy and continuous transformation.

The theme of change and transition that a company must be able to lead is crucial to producing progress and well-being, starting within the world of work. In a context in which continuous technological innovations require increasingly transversal skills, Repower is committed to training its team, technically and beyond, to experience this transition proactively.

In interdisciplinary dialogue, Repower promotes a common language between different fields of knowledge. A language that is a tool for collaboration and innovation, but also for conscious participation in societal progress. The value of the contribution individuals within Repower make extends

beyond mere technical expertise; it embraces a broader vision that integrates shared values and an awareness of the implications of one's decisions. As a final result, **investing in the training** is not only an act of corporate responsibility, but also a strategy for ensuring a sustainable, inclusive future for all.

The energy sector in particular is increasingly at the center of international friction, but also of great development opportunities for the future, according to a logic of fighting against and adapting to climate change. In this sense, Repower recognizes the importance of its contribution.

Several **initiatives initiated in 2023** respond to this logic, while raising our quality standards in both energy production and in **the consultancy we provide to over 35,000 companies**. This plan includes strengthening our generation fleet from renewable sources, which is growing and has numerous new projects underway in photovoltaic, wind and regulation, an increasingly important function given that these sources are non-

programmable. Alongside this constant growth, Repower's contribution to sustainability is also evident in the success **its services** have encountered in **the field of energy efficiency**, solutions that stand out for innovation and ease-of-use.

In 2023 we also launched our most important project in the field of electric mobility: **Repower Charging Net, an innovative circuit that connects hundreds of facilities**, guaranteeing Repower quality standards and involving customers in a commercial partnership.

In closing, Repower has contributed to **spreading an awareness and culture of sustainability**, which is increasingly important in order to accelerate the spread of all-round sustainable technologies. The white paper on sustainable mobility, now in its seventh edition, is an important part of this activity, as is the success recorded by **the third season of our podcast**, "Environmental Rumors - in search of sustainability."



Repower Italia's first integrated report tells this story and much more.

It is a tale of our ongoing contribution to sustainability, an essential part of the economic, environmental and social dimension of our country.



Fabio Bocchiola
CEO Repower Italia

Methodological note

- This document, drawn up by Repower, reports both the economic-financial performance and those relating to ESG activities. The document is aligned with multiple guidelines. Information has been drawn up according to the GRI Sustainability Reporting Standard of the Global Reporting Initiative (GRI), as detailed in the GRI Content Index, and has been subjected to limited assurance.

The following guidelines and auditing standards have been adopted in this Integrated Report:

The management report follows the principles: art. 2428. (Management report), art. 2357-ter (Regulation of one's actions), art. 2366. (Formalities for the call), art. 2409-ter. (Accounting control functions), art. 2423. (Preparation of the financial statements), art. 2423-bis. (Principles for preparing financial statements), art. 2429. (Auditor's report and filing of 2021 GRI financial statements (GRI 2: General information 2021).

Social Responsibility:

GRI 2021 (Social);

Environmental Responsibility:

GRI 2021 (Environmental);

The section "Value creation at Repower" is aligned with the following articles:

art. 2423-ter. (Structure of the balance sheet and income statement), art. 2424-bis. (Provisions relating to individual items of the balance sheet, art. 2425. (Contents of the income statement), art. 2425-bis. (Recognition of revenues, income, costs and charges), art. 2426. (Valuation criteria), art. 2427-bis. Information relating to the fair value of financial instruments), art. 2433. (Distribution of profits to shareholders), art. 2433-bis.

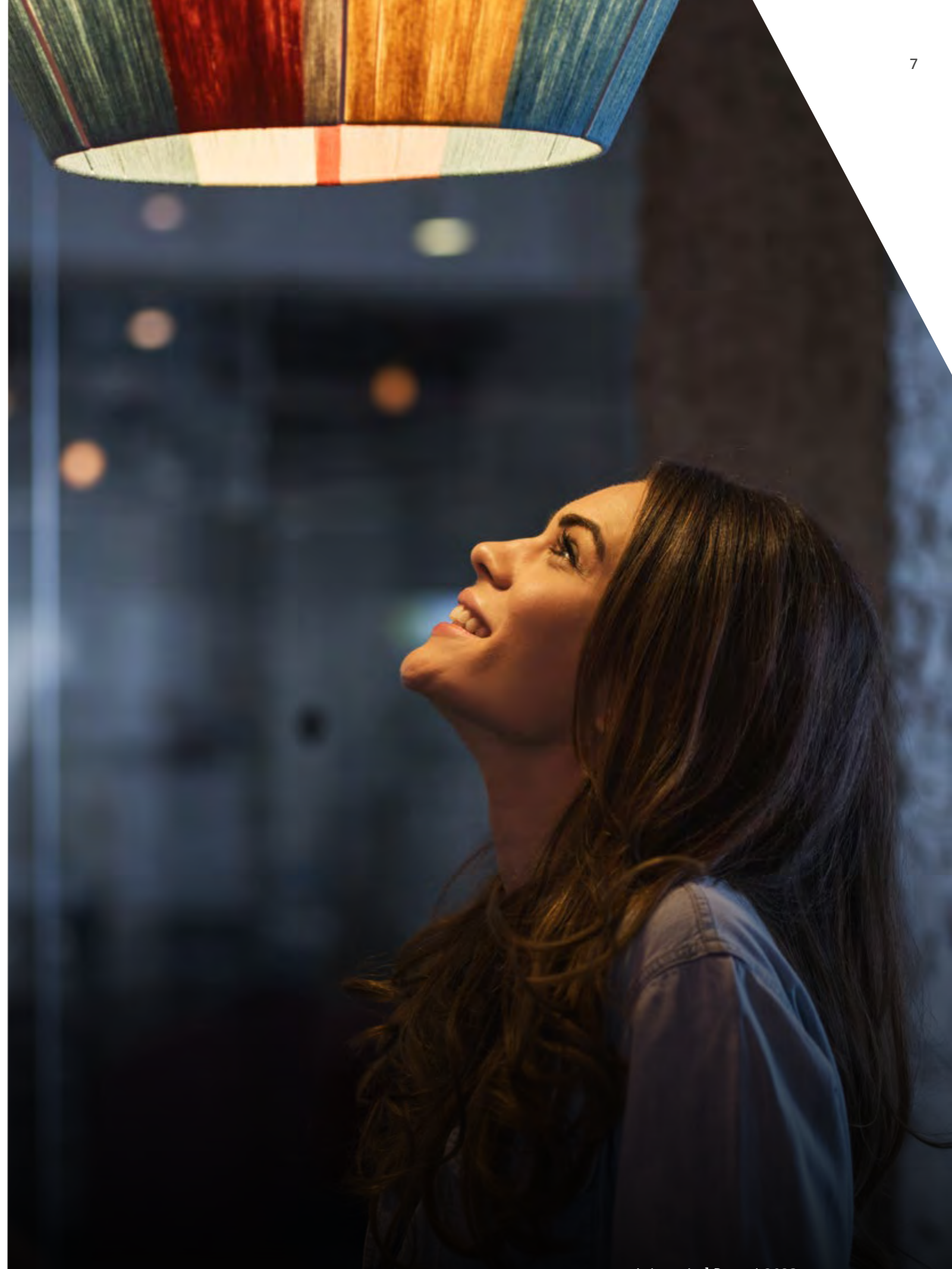
The (Supplementary) comment note is aligned with

art. 2427. (Contents of the supplementary note), Art. 2478-bis. (Budget and distribution of profits to members)

The Repower Italia 2023 Integrated Report, and in particular its specific sections dedicated to ESG, is the culmination of an effort the company began many years ago to ethically manage its impact on environment, society and its territory.

Now in its second edition, this document is carried forward with coherence and determination in accordance with Repower's Governance, a commitment every employee in the Group has helped achieve.

This document aims to communicate this commitment in a precise, detailed manner that is compliant with both national and international benchmarks, including regulatory requirements.





ESG Standard

With reference to the information indicated within the GRI Content Index, the standard used to draft the document is the GRI Sustainability Reporting Standard of the Global Reporting Initiative (GRI), in its updated 2021 version, which went into effect for reports published starting 1 January 2023 (hereinafter referred to as GRI Standard or GRI). The report is accompanied by a correlated

table that shows connections between the GRI Standard and provisions of the European Sustainability Reporting Standards (ESRS), according to the GRI-ESRS Interoperability Index. In order to guarantee quality of information and the adequacy of data presentation methods, the information has been drawn up in accordance with the principles contained in GRI 1 Foundation 2021: accuracy,

balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability. In addition to what is called for in the GRI Standard for the identification of material topics, the following international frameworks and references were also taken into consideration:

- “GBS Standard 2013 - Principles for drafting the social balance sheet,” prepared by the Study Group for the Social Balance Sheet (GBS) established in 1998 by the National Association for Scientific Research on the Social Balance Sheet, for the part that concerns production reclassification and distribution of added value.
- “AccountAbility 1000 - Stakeholder Engagement Standard,” a standard process for stakeholder engagement.
- “Climate transparency report: comparing G20 climate action” drawn up by Climate Transparency for Italy.
- “A Practical Guide to Sustainability Reporting Using GRI and SASB Standards,” Published by GRI and SASB.
- “Setting 1.5°C-aligned science-based targets: quick start guide for electric utilities,” published by CDP, SBTi and Guidehouse in 2023.
- “EFRAG & GRI landmark Statement of Cooperation - Working towards international sustainability reporting convergence, EFRAG Project Task Force on European sustainability reporting standards (PTF-ESRS) and GRI sign landmark Statement of Cooperation”.
- “GRI-ESRS Interoperability Index,” drawn up by Efrag and GRI in 2024.

The methodological section of the report is enriched using the following references:

- **Linking the SDGs and the GRI Standards** (version amended in March 2022 that relates the contents of the GRI Content Index to the SDGs.)
- **Making the Connection: Using the GRI G4 Guidelines to Communicate Progress on the UN Global Compact Principles** (March 2013 version.)
- **The proposal for the Corporate Sustainability Reporting Directive (CSRD) published by the European Commission (EC)**, following the revision process of the Non-Financial Reporting Directive (NFRD) adopted in December 2022 following publication in the Official Journal of the European Union.
- The final version of the **European Sustainability Reporting Standards (ESRS) proposal** published in December by the European Financial Reporting Advisory Group (EFRAG), as required by the CSRD.
- The proposal for a **Corporate Sustainability Due Diligence Directive (CSDDD)** put forward by the Council of the EU in December 2022.
- **Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures 2021** (Document updates and details recommendations made by the Task Force on Climate-related Financial Disclosures of June 2017.)
- **SASB’s 77 Industry Standards** (Document that identifies topics of interest based on SASB Standards Application Guidance.)

The report ends with a section of attachments that report the following:

- GRI Content Index.
- Correlation table between the SDGs and GRI Standard indicators.
- Correlation table between the ESRS and GRI Standard indicators.

Financial Standard

In addition to the standards and regulatory principles outlined above, the 2023 Integrated Report follows additional principles that, while not directly regulated by entities active in the international sustainability panorama, are nevertheless

considered very important. A company is “sustainable” when it is transparent about the activities it conducts, including how it manages said activities; as well as when this company communicates comparable and certified data. Said data must

also be contextualized, and accompanied by understandable explanations that facilitate use of the document. For detailed information, please refer directly to the “Commentary Note,” specifically to the “Drafting Principles.”

Organization details

OPERATIONAL AND REGISTERED OFFICE:	Repower Italia S.p.A.
Via Uberti 37 - 20129 Milan, Italy	TAX CODE AND VAT NUMBER: 00789540143
TOLL-FREE NUMBER:	Repower Vendita Italia S.p.A.
800 903 900	TAX CODE AND VAT NUMBER: 13181080154

Repower Italia’s Reporting Process

This Integrated Report refers to activities carried out by Repower Italia and its subsidiaries (Repower Italia Group). Data contained in this document refers to the period between 01/01/2023 and 31/12/2023.

This Integrated Report will be published on an annual basis. This financial statement was approved by the Board of Directors on 04/04/2024.

In keeping with previous years, the reporting process was based on the involvement of an inter-functional team, largely made up of managers within various areas of the company.

These men and women reconfirmed results and outputs from the previous year for the definition of impacts and related topics. In line with the

phases that make up the drafting process, the same subjects oversaw the phases of collection, analysis and consolidation of the data and information reported.

For information on the document, please contact: francesca.casagrande@repower.com.

For detailed economic and financial information, please contact: carmelo.surace@repower.com.

For the sections regarding ESG management, please contact: francesca.casagrande@repower.com.

The auditing company is EY S.p.A., a statutory audit mandate conferred by the shareholders’

meeting of 04/30/2021 for the three-year period 2021-2023. In addition, with reference to the 2023 reporting year, EY S.p.A. was also given a limited assurance assignment with respect to the GRI information contained in this Integrated Report, as specified in the GRI Content Index.

The quantitative indicators not referring to any general or topic-specific disclosure of GRI Standards, reported in correspondence with the pages indicated in the GRI Content Index, are not subject to limited

examination by EY S.p.A. Similarly, analysis of material topics according to the dual materiality method is not subject to limited examination by EY S.p.A.

For auditing purposes, the Impact Materiality analysis carried out according to GRI Standards 2021 was considered and used to define the contents of the document and related GRI indicators.



Repower Italia Sustainability Manifesto

1. WE'RE CONVINCED THAT TAKING CARE OF OUR BUSINESS MEANS IMPROVING EVERYONE'S PLANET



Our daily work forces us to take care of a resource that feeds the planet: energy. This means preserving it, innovating and developing increasingly sustainable solutions. We believe that investing in cutting-edge technologies is the best way to contribute to a responsible energy future.

2. WE ARE LOOKING FOR A DAILY BALANCE BETWEEN PERFORMANCE AND THE ENVIRONMENT



We do not allow energy performance to come at the expense of environmental impact. We strive to minimize the impact of wind farms, photovoltaic, hydroelectric and combined cycle power plants, ensuring continuity of service in harmony with the environment. We recognize the responsibility we have to contribute positively to the communities in which we operate, promoting sustainable development and creating long-term value for all stakeholders.

3. WE BELIEVE RESPONSIBILITY STARTS FROM THE FULLNESS OF HUMAN CONNECTIONS



Our relationships go beyond the mere exchange of services. They are imbued with values and commitment. We nurture relationships that strengthen our identity heritage based on trust and collaboration. These are the foundations on which relationships with employees, customers, suppliers and local communities take root.

4. WE ARE CAREFUL TO MAKE SURE RESULTS GUIDE OUR DECISIONS



We are committed to being transparent about our actions and decisions. We carefully monitor our activities, ensuring maximum accountability in pursuing sustainability objectives and communicating new goals openly.

5. WE WANT TO BE CATALYST FOR POSITIVE CHANGE



We invest in initiatives that develop awareness both within our company and in the community as a whole. We want to be catalysts for positive change, because only by educating and inspiring people to make sustainable choices in their daily lives can we improve the planet and take care of our business.



Repower Italia's sustainability manifesto guides the company's daily action and forms the core of the Integrated Report. We are committed to walking together toward a responsible energy future, based on innovation and authentic commitment.



**Management
report**

01

Value creation at Repower

history, figures
and... much care

REPOWER

Repower Group at a Glance

■ Repower has been present in Italy since 2002, working across the entire electricity supply chain. The group is among the main market players in the sale of electricity and natural gas to small- and medium-sized businesses, and registered a turnover of 2.9 billion euros in 2023.

Repower serves 53,900 electricity supply points and 19,926 gas supply points, and can vaunt 5,876 charging tools distributed across Italy.

Thanks to a network of dedicated consultants, our relationship with customers is a true partnership, one based on far-ranging and complete service: from system installation, to maintenance, targeted analyses and energy consumption monitoring. As a recognized operator in the sale of electricity and gas to small- and medium-sized businesses, Repower also provides energy efficiency services and solutions for electric mobility.

Efficiency not only brings savings for the customer, but also translates into a conscientious use of electricity and gas, limiting waste. This has a positive impact further down Repower's value chain and with its client companies as well. In 2022, three new proposals were added to our customer offer (MAPPA, MIRA and MEASURE) that aim specifically at monitoring non-productive energy consumption, as well as installation and maintenance services for photovoltaic systems.

Repower's most important innovation for 2023 concerns electric mobility, launching its **Repower Charging Net service**. This is a truly innovative commercial approach that aims to create a partnership with the customer by providing complete services (from the provision of the charging tool to periodic maintenance, and including support for communicating and promoting the activity).

Key Facts



210
EMPLOYEES



4,101 GWh
352.5 MSMC
SALES

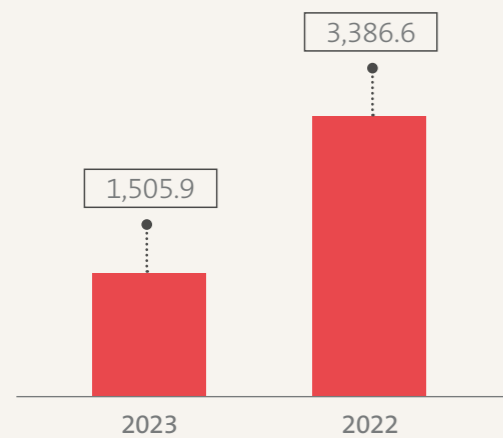


842 GWh
GENERATION

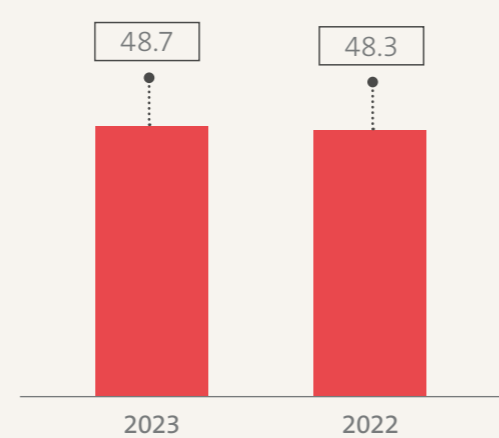




Revenues (euro mln)



EBITDA (euro mln)



In Italy, Repower produces renewable energy from 10 wind farms, 21 photovoltaic and 2 hydroelectric plants, for an installed production capacity relating to companies controlled by the Group of approximately

112.5 MW. Added to this is a 400 MW combined cycle power plant. Today, working through its trading offices in Milan, Repower moves over 12 TWh of electricity and 22.6 TWh of natural gas. The company has developed

solid commercial relationships with the primary national and international operators, aiming for a relationship that is always transparent and based on maximum efficiency and flexibility.

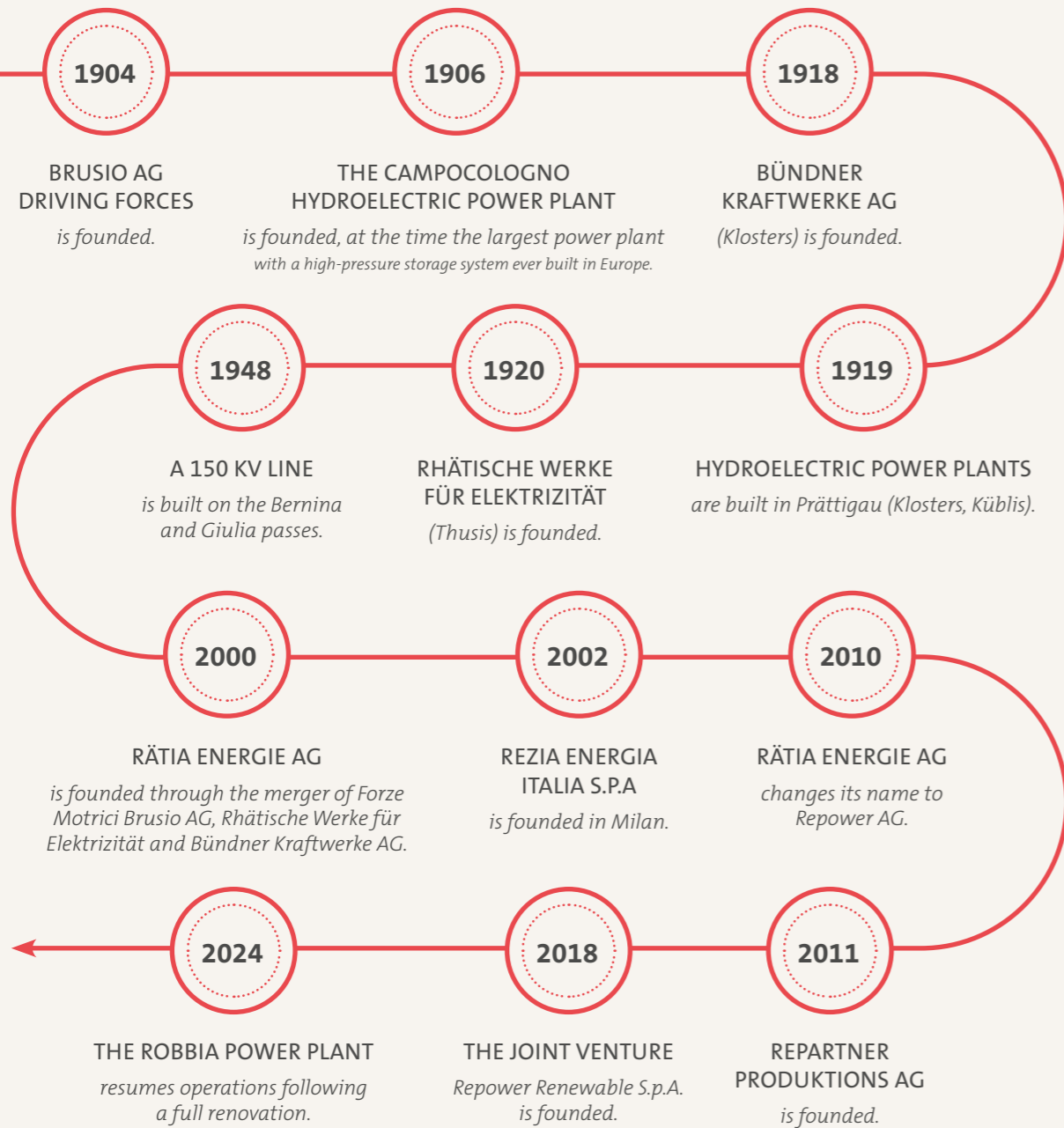
FINANCIALS (€ MLN)

	2023	2022
Power volumes sold (GWh)	4,101.0	4,477.0
Gas volumes Sold (SMC mln)	352,5	303,4
Teverola power generation (GWh)	638,3	857,9
Renewable power generation (GWh)	203,5	194,3
Net Revenues (own use)*	1,505.9	3,386.6
Gross margin	122.8	109.5
EBITDA	48.7	48.3
Net income	(2.5)	(26.7)
Equity	179.6	222.4
Third party NFP (if negative Net Cash)	116.4	87.0

* The revenues considered held for trading (Sell and Buy transactions carried out to cover the assets) in the Managerial view are netted with the related costs. In the financial statements pursuant to 2425 of the Civil Code however, the representation of revenues, including those held for trading, is on a gross basis.

The History of Repower

From Foundation to Present Day



The Group's Swiss origins

The history of Repower begins in the south of Grisons, in Valposchiavo. **The company was founded on 14 June 1904**, as Forze Motrici Brusio (FMB).

The impetus for the construction of the first power plant in Campocologno came from the private sector, with Banca Sarasin in Basel and Società Lombarda in Italy as the main financiers.

With their backing, the **Campocologno** high pressure power plant was born, which draws on Lake Poschiavo as a reservoir. With an installed power of 30,000 kW when the plant was inaugurated in the early 20th century, **it was the largest power station of its kind on the European continent.**

Initially, the electricity produced was mainly intended for export. Its primary customers were Valtellina and Milan, located far from the main Swiss consumption centers.

Starting from 1908, Brusio Driving Forces provided energy for the electrification of the Bernina Railway, and later of the Rhaetian Railway as well. After the end of the Second World War, markets opened north of the Bernina Pass.

The company experienced **its greatest expansion in 2000**, when Rätia Energie AG was born from the merger of Forze Motrici Brusio SA, Rhätische Werke für Elektrizität AG and Bündner Kraftwerke AG. The resulting company was renamed Repower ten years later.

The operation was completed under the auspices of the Canton of Graubünden, which had acquired the shares of Bündner Kraftwerke AG from Nordostschweizerische Kraftwerke AG (NOK) three years earlier. In 2004, Aurax AG, based in Ilanz, became part of the Group.

The close bond the company established with Italy after it was founded continues today. Rezia Energia Italia was founded in Milan in 2002, and changed its name to Repower Italia in 2010. In addition to its sales activities in Switzerland and Italy, **Repower now operates on the main exchange platforms in Central Europe** through trading floors in Poschiavo and Milan.

Repower Services



EFFICIENT SOLUTIONS FOR COMPANIES...
 Electricity and gas offers tailored to the specific consumption profile of each company, as well as products and services designed to optimize energy consumption and charging infrastructure.



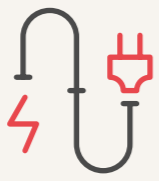
A flat rate with no extra costs, customized supply, online activation and management.



...AND FREELANCERS
 100% online solutions for freelancers, traders and small business owners, for example EnergiaFlat.

ENERGY PRODUCTION

A central element of the Repower model is own-production capacity, with diversified sources and technologies.



We apply latest generation technologies, careful landscape integration and constant supervision to all plants in Italy.



ENERGY TRADING

Reference operators in the trading of electricity, gas and green certificates. We can boast over one hundred years of electricity



exchanges carried out first via very high voltage lines between Switzerland and Italy, and today operating across all the main European energy exchanges.



The value chain

■ Repower Italia’s value chain plays a crucial and strategic role, acting as a fundamental pillar in the company’s mission to shape Italy’s energy future responsibly and sustainably.

This intricate web of operations is not only the driving force behind Repower Italia’s financial success; it is also the common thread running through the trusting relationships we’ve established with small and medium-sized businesses.

The service offering is not limited to energy supply, but embraces energy efficiency and solutions for electric mobility, offering customers a complete service.

In addition to the financial benefits, Repower Italia promotes conscious use of electricity and gas, reducing waste and promoting a sustainable culture.

22.6 TWh
of natural gas transported

12 TWh
of EE transported

Strategic Areas

PRODUCTION		TRADING	END-TO-END SALES		
Assets			Services	Channels	Target
CCGT (Teverola)*		OPTIMIZATION	COMMODITY SUPPLY	AGENTS NETWORK	BIG CUSTOMERS
Flexibility			ENERGY EFFICIENCY AND DIAGNOSTICS	KEY ACCOUNT MANAGER	SMALL AND MEDIUM-SIZED ENTERPRISES
RENEWABLE PLANTS			PHOTOVOLTAIC	DIGITAL CHANNEL	MICRO ENTERPRISES
Renewables			E-MOBILITY		DOMESTIC

*Combined cycle unit with high efficiency and limited environmental impact powered by natural gas



OPTIMIZATION AND STRENGTHENING OF CORE OPERATIONS:
Energy and gas supply through expert consultancy and representative channels;



TRADING
Economic optimization of the Italian asset portfolio (Sales, Teverola Power Plant and Renewable Plants), helping minimize market risks and counterparty risk;



DIFFERENTIATION
Introduction of new products and services; Opening of new commercial channels; Differentiation of the production park;



INNOVATION
Repower Experience product development; Development of Repower On Board initiatives; Launch of innovative communication.

Production plants

PLANT	TECHNOLOGY	MW PLANTS	MW CONSOLIDATED	REPOWER SHARE %	MW REPOWER
Castelguglielmo	Photovoltaic	7.4	7.4	65.0%	4.8
Iacopelli	Photovoltaic	0.7	0.7	65.0%	0.5
Unile FV1 (4 plants)	Photovoltaic	3.0	3.0	65.0%	2.0
Reddito	Photovoltaic	1.0	1.0	65.0%	0.6
Rivamarina	Photovoltaic	1.0	1.0	65.0%	0.6
Murialdo	Photovoltaic	0.1	0.1	65.0%	0.1
Varmo	Photovoltaic	1.9	1.9	65.0%	1.2
Codroipo	Photovoltaic	3.8	3.8	65.0%	2.5
Platina (10 plants)	Photovoltaic	9.7	9.7	65.0%	6.3
Total	Photovoltaic	28.6	28.6	-	18.6
Venti di Nurra	Eolic	9.5	9.5	43.6%	4.1
Pian dei Corsi	Eolic	1.7	1.7	65.0%	1.1
Terra di Conte	Eolic	1.0	0.3	32.5%	0.3
Buseto Palazzolo	Eolic	22.0	22.0	65.0%	14.3
Carbonaia II	Eolic	1.0	1.0	65.0%	0.7
Pavoni 1	Eolic	1.0	1.0	65.0%	0.7
Armo	Eolic	4.1	4.1	65.0%	2.7
Lucera	Eolic	26.0	26.0	65.0%	16.9
Corleto Perticara	Eolic	9.4	9.4	100.0%	9.4
Rosario	Eolic	6.0	6.0	65.0%	3.9
Total	Eolic	81.7	81.0	-	54.0
Comer/Tanaro	Hydroelectric	2.2	2.2	65.0%	1.4
San Polo	Hydroelectric	0.1	0.1	65.0%	0.1
Total	Hydroelectric	2,2	2,2	-	1,5
Teverola	Gas combined cycle	400.0	400.0	61.0%	244.0
Plants total	-	512.5	511.9	-	318.1



Energy market value

■ Repower Italia operates in a mature, highly competitive market. One that is characterized by a tendency both toward the concentration of operators, and the presence of traditional and highly integrated operators as opposed to pure retailers.

Integration with other businesses (e.g. e-mobility) occurs more and more frequently.

In the world of production, we are witnessing the availability of new production technologies (new generation CCGT, renew grid parity, side management).

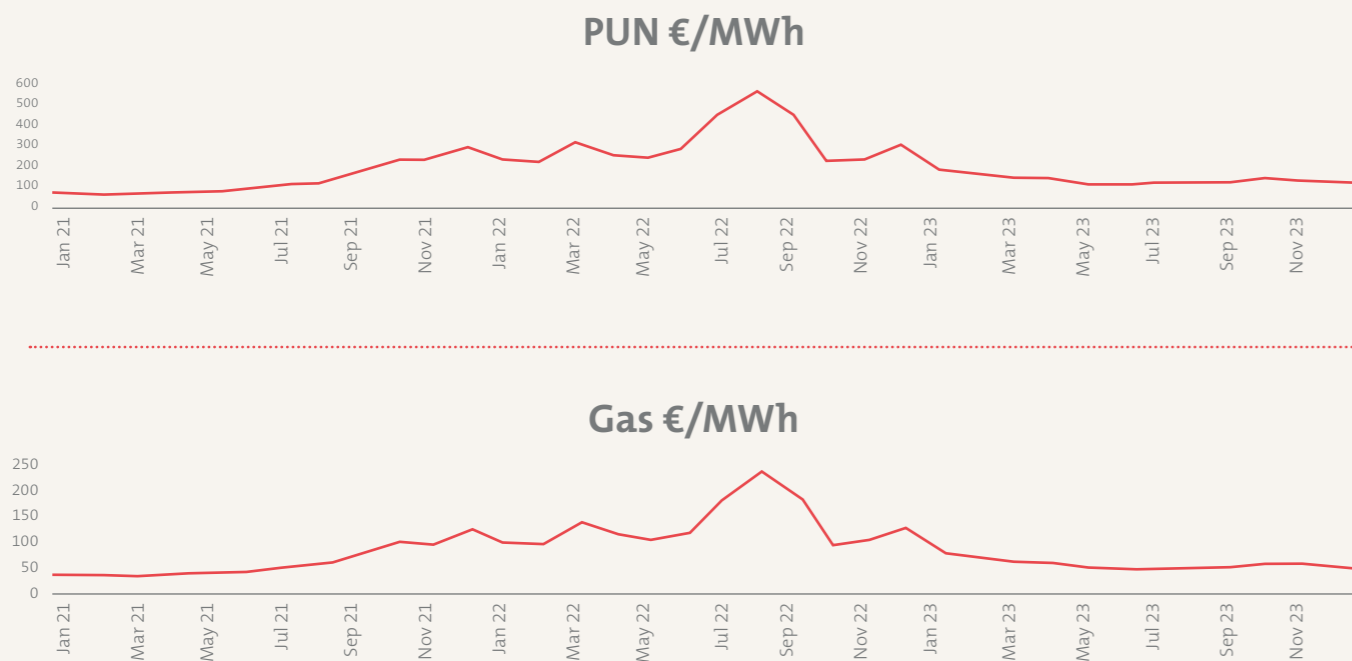
The year 2022 was characterized by the war in Ukraine, which further exacerbated the conditions of the gas markets, in turn affecting energy prices.

While still remaining high, in 2023 there was a clear normalization compared to 2022. (Trends in energy and gas prices can be found below.)

The electricity requirement of the FF55 2030 scenario was determined taking into account the EU legislative package “Fit-for-55” drivers. Fit-for-55 accelerates the electrification process of transport and heating, thus helping achieve efficiency objectives.

In view of 2040, the two contrasting scenarios “Distributed Energy” and “Global Ambition” were constructed as intermediate stages, alternative to each other, with respect to the ambitious “zero emissions” objective by 2050.

Finally, for the horizon years 2030 and 2040, a “Late Transition” scenario was built, which in terms of electricity demand is in line with the 2019 PNIEC and with the National Trend Italia (NT Italia) of Snam-Terna published in February 2021.



* Source: GME



Below are Terna's scenarios relating to electricity needs.

SOURCE: TERNA ELECTRICITY DEMAND IN THE SCENARIOS (TWh)	2019	2030		2040		
	HISTORICAL DATA	FF55	LT	DE IT	GA IT	LT
Final electricity consumption	292	330	306	371	352	353
of which industry	119	120	118	125	122	120
of which civil	161	177	167	182	179	178
of which transports	12	34	21	64	51	55
Energetic sector consumption	10	16	7	25	23	16
of which traditional (e.g. refineries)	10	7	7	7	7	7
of which H2 production (electrolysis)	-	9	0	18	16	9
Electric consumption	302	346	313	396	375	369
Network losses	18	20	19	22	21	21
Electrical needs	320	366	331	418	396	389

Evoluzione del fabbisogno elettrico negli scenari FF55 2030, LT, Distributed Energy 2040 e Global Ambition 2040 (TWh)



Below, Terna's data for the main values of each scenario:

SOURCE: TERNA MAIN VALUES OF THE SCENARIOS	2019	2030		2040		
	FINAL BALANCE	FF55	LT	DE IT	GA IT	LT
Electrical needs	320	366	331	418	396	389
of which consumption for H2 production	-	9	-	18	16	9
FER generation (TWh)	113	239	187	325	302	244
of which solar	23	101	69	157	138	102
of which eolic	20	68	46	108	99	71
Net thermoelectric generation (TWh)	169	80	96	49	53	99
of which gas	138	75	91	46	50	94
Import/export balance (TWh)	38	52	54	54	49	51
Instant FER capacity (GW)	55	122	91	175	160	123
of which solar	21	75	52	114	102	75
of which eolic	11	27	19	42	39	28
Instant accumulation capacity (GWh) ⁴	1	95	50	175	144	71
Instant electrolyzers capacity (GW)	-	5	-	12	8	5

As shown above, the overall renewable production (hydro, wind, photovoltaic, bioenergy and geothermal) in the FF55 scenario is equal to 239 TWh by 2030, thus reaching a RES share of approximately 65% of the total electricity requirement.

This represents an increase of 127 TWh of RES production compared to the values recorded in 2019.

The scenario also envisages a moderate increase in net imports, from 38 TWh in 2019 to 52 TWh in 2030 (mainly related to investments envisaged in Terna's Development Plan, aimed

at increasing the transport capacity of cross-border interconnections, which allows for greater integration of RES at a European level.)

Given all this, natural gas electricity generation drops from 138 TWh in 2019 to 75 TWh in 2030, with a percentage reduction of -46% while, as already forecast by the PNIEC, coal generation is totally absent. The reduction in gas generation is not limited merely to plants that produce energy exclusively.

It is important to underline that by 2030, solar generation in the FF55 scenario will represent over

40% of total RES generation and approximately one third of the entire national production.

In this scenario, the electricity system is dominated by the cyclical nature of solar radiation, and storage plants a key role, accumulating the energy produced in the central hours of the day and releasing it during the evening hours, when solar generation decreases rapidly while the demand of electricity remains high.

Business unit analysis

- Up until the 2021 fiscal year, business division results were prepared based on a control model in the management reporting system.

The control system identifies **Strategic Business Units (SBUs)**, and allocates revenues and related costs on the basis of their relevance to business lines, irrespective of corporate legal and organizational views.

We believe this approach to results provides a **better reading of the performance** of strategic business lines, as it is the way Italian management controls and monitors results.

Considering that the control model for SBUs in the reporting system is based on Group accounting principles, the differences in principle between Group accounting principles and Italian accounting principles were allocated to the various business units.

It should be noted that the management report/analysis for SBUs considers revenues classified in Allegro as 'Held

for Trading,' even if they are substantially fiscal, net of related costs.

The statutory scheme, on the other hand, also has a gross exposure for Held for Trading transactions.



**SOUND BASIS
FOR EFFICIENT
MANAGEMENT**

Italian-principled SBUs for 2023:

€ MLN	E2E SALES	RER	TAG & OTHER	TEVEROLA	IC ELIMINATION	CONSOLIDATED
Revenues	2,150.6	34.7	21.7	252.1	(953.2)	1,505.9
Energy revenues	1,253.4	21.2	0.7	191.8	(658.4)	808.6
Gas revenues	509.6	0.0	20.9	60.2	(286.8)	303.9
REVENUES VAS	8.6	0.0	0.0	0.1	(3.6)	5.1
Through-parts revenue	373.2	0.2	0.0	0.0	(3.2)	370.2
Revenues from certificates	0.0	13.4	0.1	(0.1)	(1.1)	12.3
Net valuation income (expenses) Fair Value (Delivery)	5.8	0.0	0.0	0.0	0.0	5.8
Costs	2,081.1	1.2	20.7	233.0	(953.2)	1,382.7
Energy costs	1,224.9	0.9	0.0	76.8	(658.5)	644.2
Gas costs	472.3	0.0	20.6	134.6	(286.8)	340.8
VAS COSTS	7.1	0.0	0.0	0.0	(3.6)	3.5
Pass-through costs	373.2	0.2	0.0	0.0	(3.2)	370.3
Costs for certificates	3.5	0.0	0.0	21.6	(1.1)	24.0
Business contingencies	0.0	0.0	0.4	0.0	0.0	0.4
Gross Margin	69.5	33.6	0.6	19.1	0.0	122.8
Commissions	11.4	0.0	0.0	0.0	0.0	11.4
Cost of credit	7.0	0.0	0.0	0.0	0.0	7.1
Contribution Margin	51.1	33.6	0.6	19.1	0.0	104.3
Capital gains and losses	0.1	0.0	0.0	0.0	0.0	0.1
Staff	14.0	0.9	0.6	4.4	0.0	19.9
Net external costs	14.2	5.5	3.7	12.1	0.0	35.5
Opex	28.4	6.4	4.3	16.5	0.0	55.5
EBITDA	22.8	27.2	(3.7)	2.6	0.0	48.7
Depreciation and Amortization	4.6	16.2	0.1	7.2	0.0	28.1
Provision for bad debts	3.1	0.0	0.0	0.0	0.0	2.9
EBIT	15.1	11.0	(3.8)	(4.6)	0.0	17.7



End to End Sales

The most significant results to be reported include:

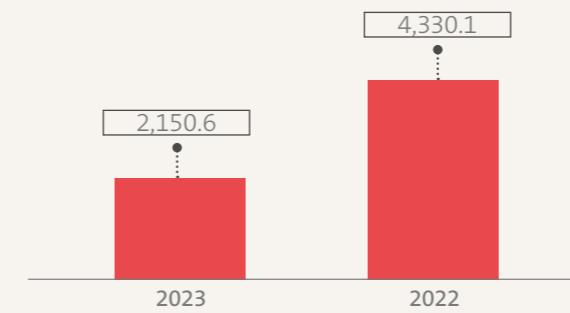
- Energy volumes decreased by 8.4% compared to 2022, due mainly to a reduction in customer consumption as a result of energy efficiency, which more than offset net acquisitions.
- Continued growth in gas volumes, which registered a +16.2% increase over the previous year.
- Recovery of the power and gas gross margin compared to 2022, due to the normalization of the power and gas markets and lower procurement and imbalance costs compared to 2022.
- A sharp reduction in overdue receivables due to a drop in prices and management costs.



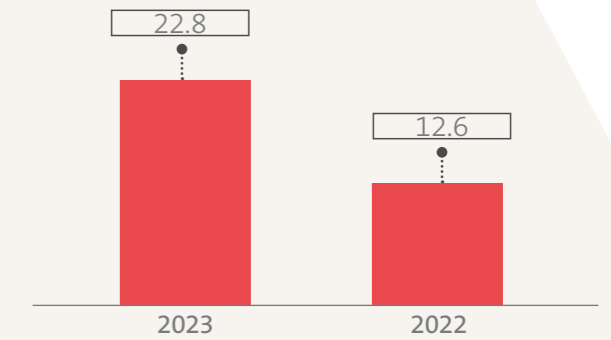
-8.4%
in energy volumes

+16.2%
in gas volumes

Revenues (€ mln)



EBITDA (€ mln)



FINANCIALS (MLN €)

	2023	2022
Power volumes sold (Gwh)	4,101.0	4,477.0
Gas volumes sold (SMC mln)	352.5	303.4
Revenues	2,150.6	4,330.1
Gross Margin	69.5	50.1
Contribution Margin	51.1	35.9
Ebitda	22.8	12.6
Ebit	15.1	(5.2)

END TO END SALES B.U. INCOME STATEMENT (€ MLN)	2023	2022	VARIATION
Revenues	2,150.6	4,330.1	(2,179.5)
Energy revenues	1,253.4	3,322.4	(2,069.0)
Gas revenues	509.6	749.0	(239.4)
SEA revenues	8.6	10.5	(1.9)
Through-parts revenue	373.2	244.6	128.6
Revenues from certificates	0.0	-	0.0
Net revenue from PV valuation	5.8	3.64	2.1
Costs	2,081.1	4,280.0	(2,198.9)
Energy costs	1,224.9	3,310.0	(2,085.2)
Gas costs	472.3	716.5	(244.2)
SEA costs	7.1	9.8	(2.8)
Pass-through costs	373.2	243.2	130.0
Costs for certificates	3.5	0.4	3.2
Business contingencies	0.0	-	0.0
Gross Margin	69.5	50.1	19.5
Commissions	11.4	10.5	0.9
Cost of credit	7.0	3.7	3.3
Contribution Margin	51.1	35.9	15.2
Capital gains and losses	0.1	0.0	0.1
Staff	14.0	12.3	1.8
Net external costs	14.2	11.1	3.2
Opex	28.4	23.4	5.0
EBITDA	22.8	12.6	10.2
Provision for bad debts	3.1	14.3	(11.2)
Depreciation and Amortization	4.6	3.4	1.2
EBIT	15.1	(5.2)	20.3

Electricity was above budget by roughly 1.9%, though still remained about 8% lower than 2022 values. Sales revenues

dropped significantly compared to 2022, mainly due to the declining price levels in the energy markets, where the PUN

dropped from an average of EUR 304/MWh for 2022 to an average of EUR 127/MWh in 2023.



Despite the drop in volumes compared to 2022, the gross margin improved over last year, when it was adversely affected by both excessive imbalance costs and penalties, as well as high supply costs due to the effects of the Russia-Ukraine conflict.

During 2023 the situation improved, and the overall sales margin benefited as well. The reseller segment showed a positive gross margin of about EUR 0.7 mln.

Gas experienced an approximately 16% increase in volumes compared to 2022, though this remained lower than budget expectations. Trade margins also improved compared to 2022, and together with volumes contributed to an increase in the overall gross margin.

Commissions increased compared to last year due to changes in the commission structure, which starting in 2023 was more closely linked to margin spreads on the power segment and support given to the sales network to help the network perform optimally in a difficult market environment. This difficult context continues to exist, albeit with some improvement compared to 2022.

Past due amounts fell from EUR 70.6 mln in December 2022 to EUR 43.3 mln in December 2023, a significant reduction made possible thanks to recovery actions implemented by the credit department.

Falling prices also contributed to the reduction of past due amounts. The provision for receivables decreased from EUR 24.4 mln in 2022 to EUR 21.8 mln, in 2023.

The provision for bad debts was reduced accordingly. The cost of receivables was affected by higher losses on receivables compared to last year: in 2023 they amounted to EUR 7.2 mln, compared to about EUR 1.9 mln in the previous year, offset by higher recoveries for post-postponement collections and VAT on bankruptcies.

The opex increased compared to last year due to higher personnel costs resulting from new hires in 2023 and higher net external costs. This increase is mainly due to the reversal of a provision for risks in 2022 in the amount of EUR 1.2 mln, as well as 2022 savings intended to cope with the market crisis. The level of opex in 2023 is in line with the pre-crisis past and congruous with our business needs.

Teverola

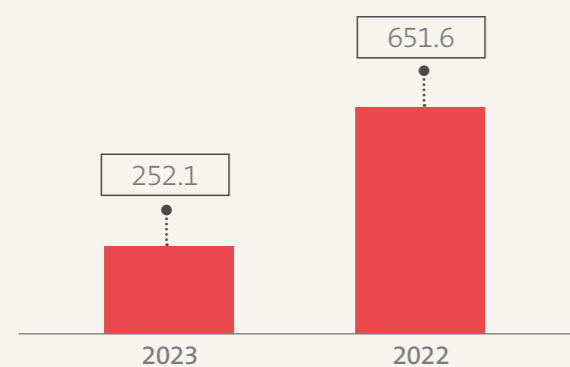
Elements to be noted include:

- a gradual decline in demand in the dispatching services market;
- the provision of revenue through an agreement with a market operator in the Capacity Market;
- a low level of spark spreads in the PGM market, and the resulting limited margins;
- the freezing of activities in February/March 2023 for cyclical maintenance (Milestone).

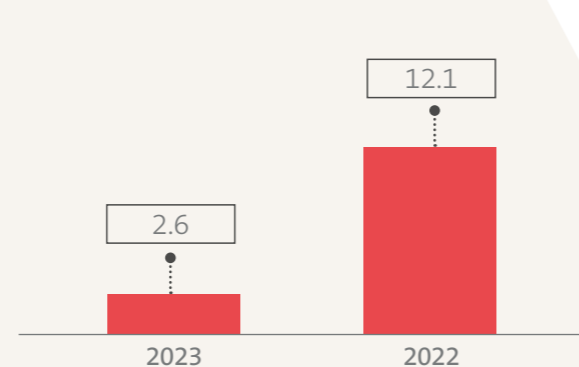


252.1 Mln €
in revenues

Revenues (€ mln)



EBITDA (€ mln)



FINANCIALS (€ MLN)

	2023	2022
Volumes sold in PGMs (GWh)	666.4	869.2
Volumes sold in MSD to rise (GWh)	19.2	16.6
Volumes sold in MSD to drop (GWh)	47.3	27.9
Production (GWh)	638.3	857.9
Revenues	252.1	651.6
Gross Margin	19.1	21.4
Contribution Margin	19.1	21.4
EBITDA	2.6	12.1
EBIT	(4.6)	4.5



In 2023, the plant operated for approximately 2,278 hours with 196 start-ups. **Gross production was 638 GWh and used 125.4 MSmc of gas.** The annual maintenance shutdown was

conducted from 20 February to 7 April 2023. During the shutdown, in accordance with maintenance schedules provided by the manufacturer (General Electric), a Hot Gas Path

Inspection of the gas turbine and the Minor Inspection of the steam turbine were carried out, as well as maintenance activities on the plant's other equipment.

TEVEROLA BUSINESS UNIT INCOME STATEMENT (€ MLN)	2023	2022	VARIATION
Revenues	252.1	651.6	(399.5)
Energy revenues	191.8	424.6	(232.8)
Gas revenues	60.2	218.74	(158.5)
SEA revenues	0.1	0.1	(0.0)
Through-parts revenue	-	-	-
Revenues from certificates	(0.1)	8.12	(8.2)
Net revenue from PV valuation	-	-	-
Costs	233.0	630.2	(397.2)
Energy costs	76.8	233.2	(156.4)
Gas costs	134.6	368.7	(234.1)
SEA costs	0.01	-	0.01
Pass-through costs	0.0	0.0	0.0
Costs for certificates	21.6	28.2	(6.6)
Business contingencies	0.0	0.0	0.0
Gross Margin	19.1	21.4	(2.3)
Commissions	-	-	-
Cost of credit	-	-	-
Contribution Margin	19.1	21.4	(2.3)
Capital gains and losses	-	-	0.0
Staff	4.4	4.4	(0.1)
Net external costs	12.1	4.9	7.2
Opex	16.5	9.3	7.2
EBITDA	2.6	12.1	9.5
Provision for bad debts	-	-	-
Depreciation and Amortization	7.2	7.6	(0.4)
EBIT	(4.6)	4.5	(9.1)



The shutdown extended **fifteen days past deadline** due to delays by General Electric in completing its activities.

According to the service contract between SET and General Electric, the aforementioned delay generated a negative Equivalent Availability Factor, such that General Electric had to pay SET a penalty of EUR 300,000.

Falling prices in the markets meant that the nominal values of **revenues and costs** relevant to the contribution margin for Teverola also **dropped significantly** compared to 2022.

At the gross margin level, there was a decrease compared to last year due to unfavorable market conditions on both the PGM and MSD markets.

In particular, spark spreads worsened slightly compared to last year, and demand in the MSD market continues to be absent.

In 2022, net external costs were much lower due to insurance reimbursements received on direct and indirect damage to the power plant for a total of approximately € 7.7 mln.



638 GWh
of gross
power plant
production

125.4 MSmc GAS USED

2,278 HOURS IN OPERATION

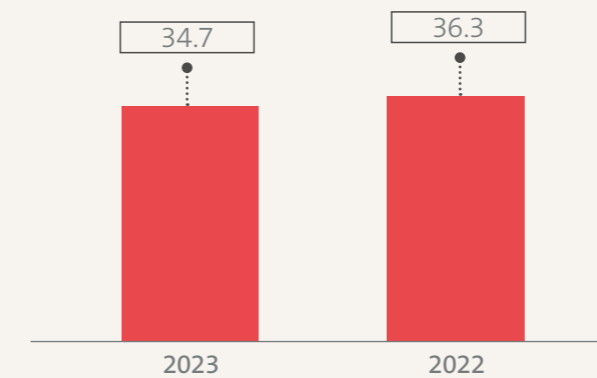
196 START-UPS

Energy from Renewable Sources

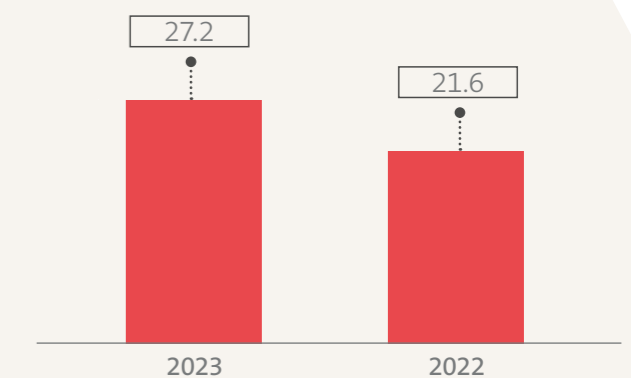
The main points of attention are as follows:

- an increase in generation volumes compared to 2022;
- sale of 50% of the Ciminna project, which brought in EUR 7.6 mln in EBITDA;
- construction of two plants in Melfi (operational in 2024) and Ghislarengo;
- the impact of the Sostegni Ter decree of EUR 0.8 mln for 2023, which is significantly lower than for 2022, as the measure was suspended after June 2023;
- falling prices impacted energy revenues compared to 2022;
- EUR 4.2 mln in development costs on green field projects in 2023. (Costs have been expensed pending receipt of authorizations to proceed with capitalization.)

Revenues (€ mln)



EBITDA (€ mln)



FINANCIALS (€ MLN)

	2023	2022
Power Generation (GWh)	203.5	194.3
Revenues	34.7	36.3
Gross Margin	33.6	33.5
Ebitda	27.2	21.6
Ebit	11.0	8.7

The **plant fleet** continues to be substantial in terms of overall volumes, which can be considered a result of good performance ratios for

photovoltaics and the availability of wind power.

On the **energy revenue** line, values are up from the previous

year, mainly due to a minor negative impact of the Support Decree in 2023 compared to 2022.

ENERGY FROM RES B.U. INCOME STATEMENT ANALYSIS (MLN €)	2023	2022	VARIATION
Revenues	34.7	36.3	(1.6)
Energy revenues	21.2	19.8	1.4
Gas revenues	0.0	0.0	0.0
SEA revenues	0.0	0.0	0.0
Through-parts revenue	0.2	0.2	0.0
Revenues from certificates	13.4	16.4	(3.0)
Net revenue from PV valuation	0.0	0.0	0.0
Costs	1.2	2.9	(1.7)
Energy costs	0.9	2.5	(1.6)
Gas costs	-	-	-
SEA costs	0.0	0.0	0.0
Pass-through costs	0.2	0.2	0.0
Costs for certificates	0.0	0.1	-0
Business contingencies	-	-	-
Gross Margin	33.6	33.5	0.1
Commissions	0.0	0.0	0.0
Cost of credit	0.0	0.0	0.0
Contribution Margin	33.6	33.5	0.1
Capital gains and losses	0.0	0.0	(0.0)
Staff	0.9	0.8	0.1
Net external costs	5.5	11.0	(5.6)
Opex	6.4	11.9	(5.5)
EBITDA	27.2	21.6	5.6
Provision for bad debts	-	-	-
Depreciation and Amortization	16.2	12.9	3.3
EBIT	11.0	8.7	2.3



This effect was partially offset by **lower sales prices** in 2023 compared to 2022.

The revenue line related to incentives decreased compared to 2022, mainly due to the absence of incentives related to

wind power plants. Net external costs decreased due to an EUR 7.6 mln contribution from the Ciminna transaction.



+34 mln €
of revenue from RES

Consolidated Financial Analysis

ECONOMIC RESULTS RECLASSIFIED CONSOLIDATED INCOME STATEMENT (€ MLN)	DEC. 21, 2023		DEC. 21, 2022		CHANGE	
	€ MLN	%	€ MLN	%	€ MLN	%
Revenues	1,505.9	100%	3,386.6	100%	(1,880.7)	-56%
Energy revenues	808.6	54%	2,262.2	67%	(1,453.6)	-64%
Gas revenues	303.9	20%	849.6	25%	(545.7)	-64%
VAS revenues	5.1	0%	5.1	0%	(0.1)	-1%
Pass-through revenues	370.2	25%	241.9	7%	128.3	53%
Revenues from certificates	12.3	1%	24.1	1%	(11.8)	-49%
Net revenues from PV assessment	5.8	0%	3.6	0%	2.1	59%
Costs	1,383.1	92%	3,277.1	97%	(1,894.0)	-58%
Energy costs	644.2	43%	2,040.6	60%	(1,396.4)	-68%
Gas costs	340.8	23%	966.3	29%	(625.5)	-65%
SEA costs	3.5	0%	4.4	0%	(1.0)	-22%
Pass-through costs	370.3	25%	240.6	7%	129.7	54%
Certificate costs	24.0	2%	28.3	1%	(4.3)	-15%
Business contingencies	0.4	0%	(3.1)	(0%)	3.5	-113%
Gross Margin	122.8	8%	109.5	3%	13.3	12%
Commissions	11.4	1%	10.5	0%	0.9	9%
Cost of credit	7.1	0%	5.0	0%	2.0	41%
Contribution Margin	104.3	7%	93.9	3%	10.4	11%
Capital gains and losses	0.1	0%	0.0	0%	0.1	126%
Personnel	19.9	1%	18.1	1%	1.9	10%
Net external costs	35.5	2%	27.5	1%	8.0	29%
Opex	55.5	4%	45.6	1%	9.9	22%
EBITDA	48.7		48.3		0.4	1%
Provision for doubtful accounts	3.056	0%	14.3	0%	(11.2)	-79%
Depreciation and amortization	28.1	2%	24.2	1%	3.9	16%
EBIT	17.6	1%	9.9	0%	7.7	78%
Financial income	1.0	0%	1.0	0%	(0.0)	-2%
Financial charges	15.8	1%	10.3	0%	5.5	54%
Financial contingencies	0.1	0%	(2.1)	(0%)	2.2	-103%
Valuation of derivatives (Maturity)	(10.1)	(1%)	(32.1)	(1%)	22.0	-69%
Financial income and expenses	(24.8)	(2%)	(43.5)	(1%)	18.7	-43%
Earnings before taxes	(7.3)	(0%)	(33.6)	(1%)	26.4	-78%
Taxes	4.8	0%	(6.9)	(0%)	2.1	-30%
Result for the year	(2.5)	(0%)	(26.7)	(1%)	24.3	-91%
Group result for the year	(8.5)	(1%)	(29.5)	(1%)	21.1	-71%
Minority interest result for the year	5.9	0%	2.5	0%	3.4	137%





- As we have already seen above, the value of energy sales revenues dropped significantly compared to 2022, mainly due to the price level on the energy markets, which saw the PUN drop from an average of EUR 304/MWh for 2022 to an average value of €127/MWh for 2023.

There was a similar trend concerning gas revenues, as the price trend was decidedly downward compared to the previous year, with an average annual value at PSV of €42/MWh, in line with that of 2021 and almost one third of that of 2022. The related energy and gas costs decreased similarly to the revenue line.

The **gross margin** shows signs of **recovery** from the previous year, due to improved results of the sales SBU.

Compared to last year, a reduction in market volatility allowed for **lower trading-side supply risks and less imbalance**; hence, a lower cost of supply and one more in line with the recent

pre-crisis past. The trading margin improved in both the power and gas segments. Higher gas sales volumes also contributed to improving the gross margin.

The **contribution margin of the Renewables SBU** was stable overall, while the **Teverola SBU** continued to post a downward

performance/operating loss as a result of very low spark spreads on the PGM and a continued lack of demand in the MSD market.

However these losses were significantly mitigated thanks to an agreement established with a market operator in the Capacity Market.

Commissions increased compared to last year due to a change in the commission structure. Starting in 2023, the commission structure was linked more to margin spreads on the power segment and to support granted to the sales network. Support was aimed at giving the network a helping hand in what continues to be a difficult market context, albeit one that has improved slightly compared to 2022.

Past due amounts fell from EUR 70.6 mln in December 2022 to EUR 43.3 mln in December 2023. This significant reduction was made possible thanks to recovery actions implemented by the credit department. Falling prices also contributed to a reduction in past due amounts.

The **provision for receivables decreased** from EUR 24.4 mln in 2022 to EUR 21.8 mln in 2023. The provision therefore decreased. Credit cost is higher due to higher credit losses in 2023 compared to 2022.

The increase in personnel is due to **higher recruitment** in 2023 compared to the previous year.

The **increase in net external costs** is due to **reimbursements for direct and indirect damage to the Teverola power plant** for a total of EUR 7.7 mln.

Overall, therefore, the cost structure remained stable, except for a slight increase in IT costs due to increased maintenance on information systems and a slight increase in communications costs. These cost-increasing effects were offset by proceeds from a contract for the purchase of tax credits from superbonuses.

The credits were used to offset VAT liabilities to the VAT consolidating company Repower Italia, as well as for excise duties payable to Repower Vendita Italia S.p.A. **generating a total income of € 1.4 mln.**

Depreciation and amortization increased compared to the previous year due to write-downs made on the plant under construction in Melfi following a fire that occurred in the summer of 2023, and a hailstorm that affected the Varmo plant during the same summer.

Write-downs amounted to EUR 2.6 mln and EUR 0.4 mln, respectively. Negotiations are ongoing with insurance companies for the reimbursement of damages, which had not yet been finalized as of preparation of financial statements. Reimbursements are expected in the second half of 2024.

Financial expenses were affected by two new loans that generated financial expenses of **EUR 1.8 mln and EUR 1.5 mln**, respectively. The increase in interest rates also contributed to an increase in financial expenses.

Derivatives recognized in the financial section relate to realized transactions (cascading) and open positions as of 31 December 2023 that hedge assets (energy sales, gas sales and Teverola power plant) on 2024 deliveries.

The impact of these transactions is a **negative EUR 10 mln** compared to roughly negative EUR 32.1 mln in 2022.



€ 808.6 mln
from energy sales

€ 303.9 mln
from gas sales

The fact that the fair value is negative is related to forwards at the valuation date (31 December), compared to forwards at the time of hedging: 2024 price expectations are downwards compared to the time of hedging.

However, the fair value is lower than in 2022, due to a considerable reduction in market prices.

Taxes were affected by ordinary taxation on the renewable business, while a tax loss was realized on the traditional business that gave rise to the **provision of deferred tax assets** for 2023 in the amount of EUR 4 mln.

**BALANCE SHEET SITUATION: RECLASSIFIED
CONSOLIDATED BALANCE SHEET (€ MLN)**

	DEC. 31, 2023	DEC. 31, 2022	CHANGE
Intangible fixed assets	17.5	16.3	1.2
Tangible fixed assets	254.3	259.7	(5.4)
Equity investments	24.9	6.8	18.1
Loans receivable	4.2	3.5	0.7
Total fixed assets	300.8	286.3	14.5
Inventory	46.7	42.7	3.9
Third-party trade receivables	224.9	324.0	(99.1)
Third-party trade payables	(225.7)	(198.5)	(27.2)
Advances from customers	(17.0)	(23.1)	6.1
Intragroup trade receivables *	0.0	0.0	(0.0)
Intragroup trade payables *	(70.7)	(103.9)	33.3
Net working capital	(41.8)	41.2	(82.9)
Net VAT position	9.0	6.2	2.9
Net tax receivables/(payables)	14.0	16.5	(2.5)
Net deferred taxes	37.7	31.2	6.5
Net excise position	(0.3)	(4.6)	4.4
Staff payables	(8.6)	(7.4)	(1.2)
Other receivables/(payables) net	9.1	2.5	6.6
Provisions	(13.0)	(13.4)	0.4
Derivatives	1.7	(17.3)	19.1
Deposits	1.9	2.1	(0.2)
NET TOTAL INVESTED	310.7	343.2	(32.5)
Equity	179.6	222.4	(42.8)
Cash and cash equivalents (includes DRSA)	(33.5)	(54.9)	21.4
Due to banks	145.2	136.5	8.7
Leases and other lenders	4.7	5.4	(0.7)
THIRD-PARTY NET FINANCIAL POSITION	116.4	87.0	29.4
Intercompany loans receivable	(0.1)	(0.0)	(0.1)
Intercompany loans payable **	14.8	33.8	(19.0)
SHAREHOLDER LOANS	14.7	33.8	(19.1)
SOURCES OF FINANCING	310.7	343.2	(32.6)

* Repower AG and others not eliminated

** RE AG, SET and RR perimeter

During 2023, reblading activities at the Lucera wind farm were completed, with investments of EUR 0.6 mln during the year.

Also in renewables, construction work continued on the Melfi project with investments of EUR 11 mln.

Construction of the Ghislarengo project was also started for EUR 2.6 mln, and panels at the Varmo plant that were damaged during a strong hailstorm in the summer of 2023 were replaced for EUR 0.6 mln. Quinta Energia was revamped for EUR 0.2 mln.

A joint venture operation for the Ciminna project was carried out, with deconsolidation of the dedicated SPV following the entry of third-party shareholders.

Transfer of the business unit generated a total capital gain of EUR 7.6 mln for the Repower Group. The recorded value of the equity investment was EUR 14 mln. The cash investment amounted to EUR 6.3 mln.

Within the traditional business sphere, there were investments in IT (evolution and CRM) amounting to EUR 4 mln, and investments in electric mobility amounting to about EUR 1.3 mln.

With regard to investments in companies, an earn-out was paid to the shareholders of Erreci and Erreci S.r.l., increasing the value of the equity investment. In December 2023, 20% of the company Elettrostudio Energia S.r.l. was acquired.

At the overall working capital level, there was a net gross improvement of EUR 89 mln

(EUR 92 mln net of the write-down of receivables).

This improvement was generated by lower prices compared to 2022, as well as a reduction in past due amounts from EUR 70.6 mln to EUR 43.3 mln.

The gas and CO₂ inventory is about EUR 40 mln and required financing in 2023, and then to generate cash in 2024.

As a result, circulating capital (in the strict sense of the word) relating to the sales business returned to negative pre-crisis levels.

This improvement was reflected in the operational cash generation absorbed in 2022, when prices had increased both receivables and past due amounts.

The VAT credit relates to the advance paid in December 2023, which was paid in January 2024. Tax credits decreased compared to 2022, as they were partially utilized by offsetting with VAT payments.

Deferred taxes were mainly affected by recognition of deferred tax assets on tax losses for the year 2023 and a higher provision for taxed bad debts.

These incremental effects were offset by a reversal of the annual portion of deferred tax assets on the write-down of the Teverola power plant and the TAG fund.

The excise debt is reduced and essentially represents a stabilization of advance installments based on consumption in 2022 against the excise duty invoiced in 2023.

Derivatives in the balance sheet were affected by falling prices, and decreased compared to the previous year.

The overall financial position worsened as the term loan on the traditional business is open in 2023 for EUR 28 mln.

During 2023, dividends of EUR 37.5 mln were paid to the parent company Repower AG. The Net Financial Position (NFP) of the renewable business improved overall due to the payment of debt service.

There were no new loans in 2023. The part relating to shareholder loans saw repayment in full in December 2023 of the working capital facility to Repower AG for EUR 15 mln, as well as payment of the financial debt to Hera from SET for EUR 3 mln.

Cash flows

MANAGEMENT CASH FLOW	DEC. 31, 2023	DEC. 31, 2022
Cash and cash equivalents (includes DRSA) beginning of period	54.9	113.1
Result for the period	(2.5)	(26.7)
Current and Deferred Taxes	(4.8)	(6.9)
Interest expenses I/C	1.5	4.2
Third-party interest expenses	16.7	8.8
Interest income I/C	(0.0)	(3.3)
Third-party interest income	(3.4)	(0.5)
Contingencies	(0.1)	2.1
Valuation of derivatives at Fair Value	10.1	32.1
EBIT	17.6	9.9
Write-down of receivables	3.1	14.3
Depreciation and Amortization	28.1	24.2
EBITDA	48.7	48.3
Contingencies	0.1	(2.1)
Capital gain (Ciminna)	(15.1)	-
TFR	0.4	0.5
Provisions for risks	(2.6)	(4.4)
Fair Value Measurement Derivatives	(10.1)	(32.1)

The group has a cash balance of EUR 33.5 mln, compared to EUR 54.9 mln in 2022 (including DRSA reserves on project financing).

The free cash flow shows a turnaround from the previous year due to a reduction in prices and past due items, which generated a significant positive cash flow on working capital.

Investments are more important within the renewable perimeter, as noted in the previous section of the balance sheet, and maintaining the traditional perimeter.

The RCF line on Repower Italia in the amount of EUR 15 mln, and the term loan of EUR 28.6 mln on Repower Vendita, which remains open after repayments, were drawn.

The working capital facility to the parent company Repower AG in the amount of EUR 15 mln was repaid in full.

Within the renewable business, debt service was paid regularly.

MANAGEMENT CASH FLOW	DEC. 31, 2023	DEC. 31, 2022
CASH FLOW INCOME	21.4	10.2
+/- increase (decrease) receivables from third-party customers	132.9	(69.0)
+/- increase (decrease) payables to third-party suppliers	(43.1)	(23.5)
+/- increase (decrease) in stock	(3.7)	(8.6)
+/- net position direct taxes	(1.1)	(17.0)
+/- net VAT position	(5.4)	(8.5)
+/- net position Excise	1.0	(12.7)
+/- increase (decrease) receivables from customers I/C	93.8	(37.2)
+/- increase (decrease) in payables to suppliers I/C	(126.3)	131.8
+/- increase (decrease) other receivables	(1.5)	0.5
+/- increase (decrease) other payables	3.3	(7.5)
FLOW FROM OPERATIONS	71.1	41.4
investments (+disinvestments) intangible assets	(4.6)	(5.8)
investments (+disinvestments) tangible fixed assets	(21.5)	(19.7)
investments (+disinvestments) financial fixed assets	(4.8)	(4.8)
Cash flow from investing activities	(30.9)	(30.3)
Free Cash Flow	40.2	(71.7)
Equity	(37.5)	-
Repayment of financial charges for PGC Repower AG	(2.1)	(4.2)
Intercompany Financing RE AG	(15.0)	15.0
Repayment of Hera loans	(3.2)	(3.1)
Third-party financing	100.0	15.0
Project Financing Reimbursement	(80.0)	(14.1)
Project financing	(23.8)	4.9
Flow from financial assets	(61.6)	13.5
Change in cash and cash equivalents	(21.4)	(58.1)
Cash and cash equivalents (includes DRSA) end of period	33.5	54.9

Economic Value Generated and Distributed

- In 2023, a linear consistency was maintained between the economic value generated and the economic value distributed according to reclassification of the Profit and Loss Account called for by GRI 201-1.

In fact, although the values are significantly different in terms of revenue, the percentage between directly generated and distributed value is close to 100% (99.8%).

RECLASSIFICATION OF PROFIT AND LOSS ACCOUNT	2022	2023
Revenues from sales and services	€ 6,508,056,882.48	€ 2,930,501,842.31
Changes in inventories of semi-finished and finished products	-	€ (2,464,743.00)
Increases in fixed assets for internal work	€ 190,260.00	-
Other revenues and income, net	€ 25,812,136.01	€ 24,926,340.38
Financial income	€ 516,355.94	€ 2,887,651.18
Value adjustments to financial assets	€ (31,621,568.35)	€ (9,858,115.85)
Direct economic value generated	€ 6,502,954,066.08	€ 2,945,992,975.02
Reclassified operating costs	€ 6,474,717,902.65	€ 2,907,454,713.01
Raw materials, consumables and goods	€ 6,279,411,987.18	€ 2,535,188,105.69
Costs for services and use of third-party assets	€ 189,353,047.59	€ 361,902,046.25
Sundry operating expenses	€ 5,952,867.88	€ 10,364,561.07
Staff Remuneration	€ 17,051,386.17	€ 19,223,954.81
Personnel costs	€ 17,051,386.17	€ 19,223,954.81
Remuneration of lenders	€ 10,226,897.09	€ 18,188,010.04
Interest and other financial charges	€ 10,226,897.09	€ 18,188,010.04
Income taxes	€ (6,922,777.55)	€ (4,820,951.23)
Community	€ 26,000.00	€ 32,563.00
Donations and gifts	€ 26,000.00	€ 32,563.00
Distributed economic value	€ 6,495,099,408.36	€ 2,940,078,289.63



These figures testify to how Repower's actions are consistent with the company's Sustainability Manifesto in terms of involving its stakeholders and sharing shared value.

GRI 201

Final Macroeconomic Aspects

- On a global economic level, 2023 was a year of transition. GDP is expected to grow by about 3%.

The gradual extension of post-Covid-19 pandemic growth was affected by a changing international scenario created by the ongoing Russian-Ukrainian conflict. The resulting geopolitical tensions dampened the recovery of global trade.

Commodity prices remained above historical averages in some regions (Eurozone first and foremost), albeit within a context of progressive normalization compared to the exponential growth spiral of 2022. The impacts of this trend have had significant repercussions on the real cost of living, creating both higher production costs and higher import costs.

This inflation picture has motivated monetary policy choices in various countries, inspiring a conservative first phase, followed by a gradual lowering of interest rates in the second part of 2023. Both the most advanced economies and emerging countries are expected to experience positive economic change, although some countries faced specific situations that saw their growth slow down in 2023.

For example, Germany experienced negative growth in the second half of the year and with an expected GDP contraction of -0.5% in 2023. China, despite growing at an average annual rate of close to

5%, maintains the widest gap among global economies in growth forecasts expected prior to the Covid-19 pandemic.

Italy also sailed through stormy seas in 2023, and within this extremely complicated context GDP is expected to grow by 0.7%, in line with the average for Eurozone countries. A heavy increase in the consumer price index (+6% year-on-year) has had a significant impact on spending dynamics, with household consumption estimated to grow by around 1.3%.

Imports are also expected to grow by 1%, a weak performance that indicates the difficulties associated with an economic environment decidedly influenced by raw material costs. Exports, on the other hand, are estimated to grow by 0.5%, a figure affected by the international framework briefly described earlier in this section.



+0.7%
expected GDP
growth in Italy

- +6% CONSUMER PRICE INDEX
- +1.3% HOUSEHOLD CONSUMPTION
- +1% IMPORTS
- +0.5% EXPORTS



+3%
expected global
GDP growth

- 0.5% IN GERMANY
- +5% IN CHINA



Actual domestic market performance

Electricity Market

In 2023, electricity demand was 306 TWh, down 2.8% year-on-year.

Analyzing monthly dynamics, there was a significant drop in consumption in the first part of the year compared to corresponding months of 2022. Since September 2023, demand has been broadly in line with the previous year.

As far as supply is concerned, the contribution of **renewable sources** was confirmed, covering a total of **just under 37%** of demand, up from 31% in 2022.

This increase was driven by the excellent performance of hydropower, +36% year-on-year, as well as by photovoltaic (+11%, exceeding 30 TWh) and wind power (+15%) production.

Electricity production from **conventional sources** decreased compared to 2022 (-17%), mainly due to a decline in production from coal-fired power plants (-42%), following the conclusion of government utilization initiatives taken at the peak of the gas sector during 2022.

The year 2023 ended with an average PUN of €127.24/MWh. The considerable drop in price led to a more than halving of spot levels compared to 2022,

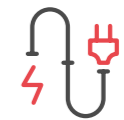
bringing the PUN back in line with 2021 levels.

Despite this sharp drop in absolute terms, 2023 remains the second highest year ever since the opening of PGM in spring 2004.

The monthly dynamics saw a **gradual reduction in prices over the year**, with the highest value in January (174.49 €/MWh) and the lowest value in August (111.89 €/MWh).

The first quarter of the year was affected by gas prices at the end of the winter, while a subsequent drop in natural gas prices also led to lower electricity prices.

The Italian trend is entirely consistent with that of the main European stock exchanges. In 2023, these markets in turn recorded a significant drop from the historical highs of the previous year. In particular, the German price stopped at 95.18 €/MWh and the French at 96.86 €/MWh.



306 TWh electricity demand for 2023

-2.8% COMPARED TO 2022

37% from renewable sources

+36% HYDRO

+11% PHOTOVOLTAICS

+15% WIND

-17% from conventional sources

-42% COAL-FIRED POWER
STATIONS



Natural Gas Market

In 2023, demand for natural gas in Italy amounted to 63.13 billion cubic meters.

Despite a timid recovery in the second half of the year, the figure recorded in 2023 is the lowest since the turn of the century, an indication of structural changes in national consumption following the start of the war between Russia and Ukraine. The decline is in fact 8.5% year-on-year, and more than 10% compared to the average of the last decade.

The downward contribution is spread across all sectors, although unevenly, with reductions in particular in the civil sector (-7.4% year-on-year) and the thermoelectric sector (-16.1%). The industrial sector was less impacted in 2023, registering a drop of about 4%, but if we look at the comparison with the average consumption

of the last decade, the negative change in the sector is much more significant: approximately -15%.

On the supply side, 2023 saw a continuation of the trend of substituting Russian gas imports with alternative supply sources, in particular gas via LNG.

With regard to imports by pipeline, Algeria was once again Italy's main partner, with about 23 billion cubic meters of gas delivered, followed by Azerbaijan (9.8), Northern Europe (6.4), Russia and Libya (2.5). Russia made only a residual contribution, recording the lowest gas levels exported to Italy since 1975.

LNG imports, on the other hand, increased by 14% year-on-year to an absolute value of 16.2 Bcm, thus covering almost 26%

of national demand. The price trend was decidedly downward compared to the previous year, with an average annual value at PSV of €42/MWh, in line with that of 2021 and almost a third of that of 2022.

The cut in Russian imports and their replacement by both reduced demand and imports via LNG has been the main determinant of this trend, which links the Italian market to all major European markets, as evidenced by the narrow spread (just over 2 €/MWh) realized on an annual basis between the Italian quotation and the Dutch TTF.

63.13 Billion m³
natural gas
demand 2023

-8.5% COMPARED TO 2022

16.2 Billion m³
of LNG imports

+14% COMPARED TO 2022

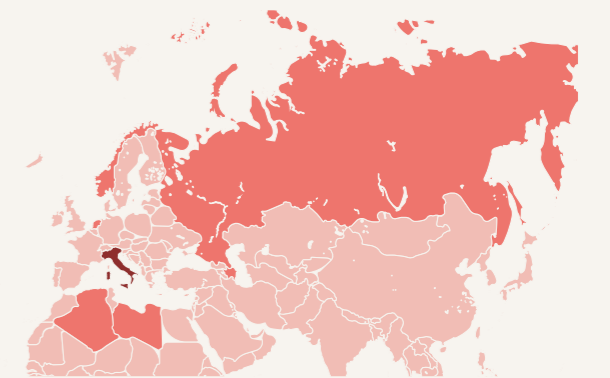
26% OF NATIONAL REQUIREMENTS

 **23 Billion m³**
gas imported
from Algeria via pipeline

9.8 Billion m³ FROM AZERBAIJAN

6.4 Billion m³ FROM NORTHERN EUROPE

2.5 Billion m³ FROM RUSSIA AND LIBYA



Environmental Markets

Spot CO₂ prices recorded on the EEX exchange averaged € 85/tonne, in line with 2022 values (€ 81.3/tonne) and well above the average of the last five years (€ 54/tonne). The reasons for this absolute price level are, on one hand, the progressive adoption of increasingly stringent EU policies with the aim of decarbonizing the economy on a

European level and, on the other, an increasing financialization of the emission bond market.

At the Italian level, it is worth highlighting the dynamics of the prices of Guarantees of Origin traded on the platform organized by the GME. The values recorded in the first part of 2023 were in fact high

and ranged between € 6 and € 8/MWh, just below the highs recorded at the end of 2022. In the second half of the year, exchanges then moved toward lower quotations, which stood at around € 3/MWh as of the end of 2023.

Regulatory Aspects

Capacity Market

The first two mother auctions of the capacity market for the delivery period 2022 and 2023 were held in December 2019. Against all final acts approving the capacity market for the 2022-2023 delivery period, SET appealed before the Milan TAR, proposing their annulment, and before the EU General Court.

On 7 September 2022, the EU General Court rejected the appeal brought by SET. The Regional Administrative Court of Milan, which had temporarily suspended its assessments pending the EU Court's ruling, has not yet published the outcome of the judgement as at the closing date of these financial statements.

No further auction procedures were held during 2021, but all acts governing the Capacity Market for the 2024 delivery period were approved (including: Regulations, related annexes and Technical Operating Provisions).

The Mother Auction for the 2024 delivery period was held on 21 February 2022 and Repower was awarded 260 MW of foreign capacity.

In addition, SET was awarded 280 MW through participation in secondary market auctions in July 2022.

In 2022, ARERA, due to effects on the markets deriving from the international geopolitical

crisis, published Resolutions 83/2022/R/eel and 453/2022/R/eel, changing the methodology for calculating the capacity market strike price, in order to bring it more in line with the increased volatility of prices in the wholesale markets (in particular, the methodology was redefined to update on a daily, rather than monthly basis).

With the publication of Resolution no. 583/2023/R7eel, ARERA deemed it appropriate to amend Resolution no. 399/2021/R/eel, extending the daily indexation of the strike price to the year 2024.

On December 22, 2023, Terna released a number of changes for consultation - with respect to the initial implementation rules - for the delivery years after 2024.

The main changes are as follows:

- incentivizing retrofitting of existing capacity;
- opening to the existing capacity not offered in the Main Auction for participation in subsequent phases;
- identification of critical months for adequacy;
- separation of new and existing portfolios as well as review of penalties and defaults.

Following closure of the consultation, it is expected that capacity auctions for delivery years beyond 2024 will be held no later than 2024.



Terna's adequacy report

- At the beginning of 2023, Terna published the 'Rapporto Adeguatezza Italia 2022' (Italy 2022 Adequacy Report), which analyses the evolution of Italy's expected electricity generation capacity over the next ten years, identifying the resources that will be needed to keep it adequate (i.e. with a loss of load expectation - LOLE - of less than 3 hours/year).

In its adequacy report, Terna predicted that in the medium-term analysis (2027-2028) the electricity system will be on average adequate and will not require new capacity if the following conditions are simultaneously fulfilled:

- availability of contracted capacity in the 2022, 2023 and 2024 auctions of the capacity market;
- realization of the grid works envisaged in Terna's development plans;
- no further divestment of generation capacity, net of those already planned for coal-fired plants;
- absence of drastic import reductions at the northern border.

In Terna's adequacy report in the long-term analysis (2030-2032), the electricity system is expected to be fully adequate and could therefore give up not only the already-decommissioned coal-fired power plants, but also part of the gas-fired generation park. In particular:

- a minimum of 33 GW of available thermal capacity in thermal probability (CDP) will have to be maintained to ensure system adequacy;
- the increase in non-programmable renewable capacity and storage will lead to a contraction of the hours of operation of thermoelectric generation and related margins, which could lead to the divestment of about 13.5 GW of capacity 'exiting due to economic unsustainability' with a consequent reduction of the thermoelectric park to about 30 GW of CDP, a good 3 GW below the minimum value necessary to ensure adequacy. Under these conditions, the LOLE value would rise to about 50 h/year, which in the absence of imports would rise to over 200 h/year, with the most critical areas in Central North and Central South.

- Therefore in the long term, Terna believes it will be necessary to preserve the capacity market as a mechanism for maintaining a minimum amount of thermoelectric capacity in operation in order to guarantee the electricity system's adequacy objectives. At the end of December 2023, Terna published the new Italian Adequacy Report, which analyzes the expected evolution of the electricity system over the next few years and identifies the resources needed to keep the system adequate.

According to the Transmission System Operator (henceforth also TSO) responsible for planning the development of the National Electricity Grid, the two main risk factors threatening the construction of works and the maintenance of the existing electricity infrastructure (Terna) are:

- high temperatures and droughts;
- early decommissioning of thermoelectric plants that are no longer profitable. With regard to the latter, the MASE asked Terna to adjust the capacity market in order to incentivize non-water-dependent cooling systems.

According to Terna, in order to maintain the Italian electricity

system at least 50.2 GW of installed thermoelectric power must be maintained in operation in the medium term, and at least 41 GW in the long term.

This result confirms the need for the electricity system, even in the long term, to have a forward contracting mechanism to ensure that a minimum amount of capacity is maintained in operation. Without this, Terna estimates, capacity would fall to 39.3 GW in the medium term, 11 GW less than necessary. In the long term, again in the absence of such a mechanism, the shortfall would be 9 GW.



50.2 GW
of installed
thermoelectricity

MINIMUM NECESSARY TO MAINTAIN THE ITALIAN ELECTRICITY SYSTEM IN THE MEDIUM TERM



With the publication of Decree-Law No. 21 of 21 March 2022, converted with amendments by Law No. 51 of 20 May 2022 (the so-called ‘Price-Cutting Decree’), an extraordinary levy mechanism was introduced in Italy at the expense of:

- electricity and natural gas **producers** and natural gas extractors;
- **resellers** of electricity, methane gas and natural gas;
- **persons engaged** in the production, distribution and trade of petroleum products;
- **entities that import** electricity, natural gas or methane gas, petroleum products.

The taxable base for the extraordinary solidarity contribution is the increase in the balance of asset and liability transactions for the period from 1 October 2020 to 30 April 2021, compared to the balance for the period from 1 October 2021 to 30 April 2022.

The contribution applies at the rate of 25% if the increase is greater than EUR 5 million and is not due if the increase is less

than 10%. In order to implement the mechanism, the Italian Revenue Agency published Act No. 221978/2022.

Although Repower was not impacted by this extraordinary levy measure, it indirectly joined the appeal brought by trade associations in support of other market participants who had lodged an appeal with the Regional Administrative Court of Milan, challenging Revenue

Agency Act No. 221978/2022.

The aim of the appeal is to take the case to the Constitutional Court and demand the cancellation of the primary rule.



Solidarity contribution against high utility bills

The Budget Law 2023 (Law No. 197/2022) provided for some extraordinary measures concerning companies engaged in the production and sale of energy, methane gas, natural gas and petroleum products.

This concerns the establishment of a new ‘solidarity contribution for 2023’ to be borne by these entities, as well as certain amendments concerning the extraordinary contribution for them provided for in Article 37 of Decree-Law No. 21/2022

(‘Ukraine Decree’), both aimed at financing measures designed to combat high utility bills.

The solidarity contribution for 2023 is payable by persons who, in the tax period preceding the current period on 1 January 2023, earned at least 75% of their income from such activities.

Treatment of negative energy fed into the grid by storage systems and generation ancillary services

- In March 2021, ARERA published resolution 109/2021/R/eel on the 'Provision of the transmission, distribution and dispatching service in the case of electricity withdrawn for the purpose of subsequent feed-in,' applicable in particular to consumption for ancillary generation services and storage systems.

The resolution, which was originally scheduled to take effect on 1 January 2022, provided that, at the voluntary request of the owners of production units, **electricity withdrawals** for the supply of auxiliary generation services and storage systems for the purpose of subsequent feed-in are treated as **negative electricity feed-in** for the purpose of access to transmission, distribution and dispatching services.

The producer therefore does not have to activate offtake transport and dispatching

contracts, while it must activate feed-in transport and dispatching contracts. With resolution 560/2021/R/eel, ARERA postponed implementation of the mechanism to 1 January 2023.

Over the course of 2022, Terna first updated the Grid Code, defining the criteria and methods for calculating the algorithms for quantifying electricity withdrawals from the grid for the supply of generation ancillary services, and for the supply of storage systems for the purpose of subsequent feedback.

Subsequently, ARERA completed the regulatory framework with publication of resolutions 285/2022/R/eel and 472/2022/R/eel, which allowed owners of existing production units to assess the economic convenience of joining the new regulatory regime.

In 2023, following estimates that confirmed **an economic benefit for the Teverola power plant**, the paperwork for adherence to the regulatory regime pursuant to resolution 109/2021/R/eel was completed.

ARERA, with resolution 596/2023, granted the requests submitted by operators, extending the regulatory

discipline currently provided for in article 16 of the 2020-2023 TIT for an additional year (until the end of 2024), in order to ensure that, for all production plants and/or SdAs, it is possible to continue to benefit from the tariff exemptions provided for by the regulation in force.



The economic benefits for adherents to the regulatory regime



Criteria and conditions for the electricity storage capacity forward supply system

- Legislative Decree No. 210 of 8 November 2021 on the 'Implementation of EU Directive 2019/944 of the European Parliament and of the Council of 5 June 2019 concerning common rules for the internal market in electricity,' which came into force on 26 December 2021, had set out the general conditions and criteria for the establishment of a long-term storage capacity supply system based on competitive auctions conducted by Terna.

In implementation of the provisions of the primary legislation, on 4 August 2022 ARERA published Consultation Document (DCO) 393/2022/R/eel on 'Criteria and conditions for the electricity storage capacity forward supply system,' in which it outlined guidelines on the new mechanism, defining the criteria and conditions:

- the functioning of the **competitive procedures organized by Terna** (participation requirements, auctioned capacity needs, bid selection and price formation rules and parameters of the competitive procedures), as a result of which **a fixed annual premium will be awarded to the winning market operators** for the development, construction and operation of electricity storage infrastructure;
- under which **the storage capacity contracted and developed through the competitive procedures will be made available to the market**, through the creation of a centralized platform managed by the GME (Gestore dei Mercati Energetici, or Manager of Energy Markets).

More in detail, ARERA formulated proposals on **how market operators should use storage capacity**, with reference to:

- **criteria for the constitution of time-shifting products** tradable on the GME's centralized platform;
- **operation of the GME's competitive procedures** for the marketing and trading of these products;
- **rights and obligations of market participants** holding time-shifting products.

Repower, both as an individual operator and through the trade associations to which it belongs, **responded to ARERA's consultation**.

While Repower agrees with the introduction of a futures market system that adequately incentivizes investment in electricity storage capacity, it **has suggested implementing a number of corrections** to the operating rules of the mechanism outlined by the Authority during the consultation.

The purpose of these remedies is to **encourage broad market participation** in competitive procedures and to **avoid distortions** in the general functioning of the energy markets and dispatching services.

As a result of the Consultation, in 2023 ARERA published

resolution 247/2023/R/eel on the 'Criteria and conditions for the operation of the system for the forward supply of electricity storage capacity, pursuant to Article 18 of Legislative Decree No. 210 of 8 November 2021.'

The Resolution, taking into account what was already outlined in DCO 393/2022/R/eel, established guiding principles for the implementation of a support mechanism for storage systems.

- In particular, Terna will organize auctions (with pay-as-bid pricing, zonal targets, and TSO-defined perimeters) for new storage systems that have already been authorized.

The winning storage projects will receive a fixed annual premium and will have to make their capacity available to the TSO, which will prepare virtual time-shifting products with different time horizons (from years to hours), while other market operators will purchase these products through dedicated auctions, in order to acquire this capacity and exploit it in the energy markets.

Operators who are awarded the competitive procedures will not be able to use their capacity on the energy markets and will have to comply with a schedule defined by the TSO, while on the MSD they will have to offer their capacity at cap prices defined by Terna, maximums going up and minimums going down.

MSD's revenues will be subject to a profit-sharing mechanism with the TSO.

Following the Resolution, between August and October 2023, Terna published consultations on:

- A study of reference technologies, in which it identifies both lithium-ion batteries and hydroelectric pumping as mature technologies. For these two reference technologies, the study describes performance characteristics; investment and operating costs; and development potential.
- Electricity Storage Capacity Supply Mechanism (MACSE). This new mechanism was developed with the aim of integrating renewables with an efficient level of 'overgeneration' (i.e. at times when electricity production exceeds demand), from planned grid developments.

This mechanism will allow the system to acquire new storage capacity through long-term supply contracts, awarded through competitive auctions organized by Terna that will permit participation by operators owning new storage systems.

Parties selected at the end of the auction have the obligation both to build the facility; and to make the storage capacity available to third-party market operators, for use in the energy market, through a platform managed by the GME, which ultimately has the obligation to offer this capacity on the MDS.

The parties selected as a result of the auction also have the right to receive a fixed annual premium from Terna.

Following these consultations, the first competitive procedure for the forward procurement of storage resources is expected around December 2024.



Obligations and rights of the parties selected in the auction



Law No. 197 of 29 December 2022 on the ‘State budget for the financial year 2023 and multi-year budget for the three-year period 2023-2025: additional taxation measures on ‘extra-profits’

Pursuant to Council Regulation (EU) 2022/1854 of 6 October 2022 on emergency action to address high energy prices, the Budget Law 2023 established two additional taxation mechanisms within the Italian regulatory framework. These mechanisms address the ‘extra-profits’ of energy companies as referred to in the year 2023. The Budget Law defined, in the period from 1 December 2022 to 30 June 2023, a cap of €180/MWh on market revenues earned by producers or intermediaries participating in wholesale markets on behalf of the producers themselves (both bilateral trading and on the

centralized market), with a one-way compensation mechanism applied to:

- RES plants not subject to the application of article 15-bis of the so-called “Decreto Sostegni Ter”;
- non-renewable plants under article 7 of EU Regulation 2022/1854 (biomass fuels, excluding biomethane, waste, nuclear, lignite, petroleum products, crude oil and peat).

The one-way compensation mechanism provides for the GSE to calculate and reclaim the price difference between:

- 180 €/MWh (or an increased value for sources with higher generation costs);
- a market price equal to the monthly average of the hourly zonal market price, weighted, for non-programmable plants, on the basis of the production profile of the individual plant and arithmetically for programmable plants, or, the price established in the supply contracts concluded prior to the date of entry into force of the decree that do not comply with the exemption conditions.

The application of the one-way compensation mechanism does not apply:

- to energy produced by plants with an output of less than 20 kW;
- to energy covered by supply contracts concluded before the decree, provided they are not linked to market price trends and provide for an average price not exceeding the ceiling of 180 €/MWh;
- energy subject to GSE take-back contracts under the so-called ‘energy release’, provided it is sold at a price below the price limit;

- renewable plants with active incentive contracts regulated by two-way compensation mechanisms;
- renewable plants with all-inclusive fixed-rate contracts with GSE electricity collection;
- to shared electricity within energy communities and self-consumption configurations.

For the purposes of the application of the mechanism, ARERA has disciplined with Resolution 143/2023/R/eel the modalities for implementing

the provisions of the law, in continuity with what had already been defined in Resolution 266/2022/R/eel in implementation of the two-way compensation mechanism provided for by the so-called “Ter Support Decree”.

Integrated Electricity Dispatch Text

On 28 July 2023, ARERA published resolution 345/2023/R/eel on the “Integrated electricity dispatching text” (TIDE), with which the Authority intends to give a complete and organic overview of the expected developments in electricity dispatching regulation.

The reform of dispatching activities on a national level pursues a twofold aim of:

- ensuring the security of the electricity system, efficiently and at the lowest cost, in today’s fast-moving and ever-changing environment, characterized by an increasing spread of non-programmable renewable sources and distributed generation, as well as a progressive reduction in the use of programmable plants;
- streamlining the general dispatching regulatory framework so as to bring together in a single regulatory body all the provisions that have been adopted over the years in line with the evolution of the European regulatory framework, which envisages increasingly integrated national markets both at the level of energy exchanges (PGMs and MIs) and at the level of exchanges of balancing resources.

The TIDE is scheduled to enter into force on 1 January 2025.



NATURAL GAS SECTOR - WHOLESALE MARKET

Measures for filling gas storage infrastructures

In particular, EU regulation 2022/1032 stipulated an **obligation to fill 80% of the natural gas storage capacities** in each Member State on 1 November 2022, increased to 90% from the following thermal years.

In accordance with EU regulations, during 2022 and 2023, the Italian authorities published a series of measures designed to incentivize the filling of gas storage infrastructures in order to achieve the national storage capacity filling targets, the primary measures of which included:

- **MASE Ministerial Decree** of 31 March 2023, regulating storage arrangements for the 2023-24 thermal year;
- **Resolution 93/2023/R/gas**, introduction of urgent measures to facilitate the filling of storage during the thermal year 2023-2024;
- **Resolution 150/2023/R/gas**, updating of the formulas for calculating the reserve price for each storage company for the purposes of capacity booking procedures on an annual basis for the thermal year 2023- 2024, and on a multi-year basis for thermal years 2023-2024 and 2024-2025.

In addition, tightening of the fees to be charged to storage users who have not met the minimum fill levels required by infrastructure operators as of 31 October 2023;

- **Resolution 605/2023/R/gas**, provisions for the allocation of storage capacities, pursuant to article 5(2) of the Decree of the Minister of the Environment and Energy Security of 31 March 2023.

Coordinated gas demand reduction measures at the EU level

Regulation (EU) 2022/1369 was approved in order to **guarantee the security of gas supply in the European Union** following the outbreak of war in Ukraine, and introduced voluntary measures at the member state level aimed at reducing gas consumption in the period August 2022 - March 2023 by at least 15% compared to the average consumption during the same period in the previous five years. The same regulation has, among other things, given the European Commission the power to declare an EU-wide state of alert on the security of gas supply which, if activated, would **make the 15% reduction in consumption mandatory for all member states**.

In compliance with European regulations, MITE published the

update of the **'National Plan for Reduction of Consumption'** in which it established that this reduction would take place alongside:

- **the maximization of electricity production with alternative fuels to natural gas**; the introduction of measures to contain heating, implemented through Ministerial Decree No. 383 of 6 October 22 by MITE; the introduction of voluntary containment of consumption in the industrial sector through competitive procedures managed by Snam, governed by Ministerial Decree No. 464 of 21 October 2022 by MITE and implemented with resolution 649/2022/R/gas by ARERA.

Then, on 30 March 2023, EU Regulation No. 2023/706 was approved, providing for a **one-year extension of the voluntary 15% gas demand reduction target by EU states** for the period 1 April 2023 - 31 March 2024. The regulation also confirmed the European Council's option for declaring an EU security of supply alert which, if activated, makes the 15% gas demand reduction target mandatory.

EU Gas Market Correction Mechanism

With the aim of limiting the growth of gas prices in Europe, the EU approved regulation 2022/2578 as a temporary gas market correction mechanism (so-called price cap) for orders placed for trading derivatives on the TTF (as of now) and derivatives linked to other virtual trading points (possibly to be activated).

The regulation, in force from 15 February 2023, activates the correction mechanism for the settlement price of “front year” TTF derivatives if the settlement price of “front month” TTF derivatives exceeds €180/MWh

for three working days and is € 35 higher than the global LNG price (the so-called reference price calculated on the daily average of various indices) for the same days, as published daily by ACER.

If ACER publishes the notice of activation of the mechanism on one day, starting the following day it will not be possible to submit (traders) or accept (market operators) offers of orders for derivatives on the TTF with a maturity of between one month and one year that have a price greater than € 35/MWh with respect to the

reference price published by ACER (dynamic offer limit). In all other cases, the FTT price can be higher than € 180/MWh, provided the price differential with the global LNG price does not exceed € 35.

Once activated, the dynamic offer limit remains in force for 20 working days.

Automatic deactivation of the market correction mechanism takes place if the reference price drops below € 145/MWh for three consecutive days, or in the event an EU state of emergency is declared due to significant

deterioration in the security of gas supply.

The European Commission has the power to suspend the market correction mechanism at any time under special conditions, and/or to extend it to other European hubs no later than 31 March 2023 (e.g. PSV).

Finally, with executive act No. 2023/736 of 31 March 2023, the European Commission exercised its power to extend the application of the price cap to European Union virtual trading points (VTPs) other than the TTF (thus including

also the Italian PSV), while maintaining the modalities for activating or deactivating the market correction mechanism unchanged.



>€ 180/MWh

>€ 35 global LNG price

FOR THREE CONSECUTIVE DAYS

SETTLEMENT PRICE OF TTF DERIVATIVES ‘FRONT MONTH’ REQUIRED TO TRIGGER PRICE CAP



Transport tariffs for the sixth regulatory period

In 2023 ARERA concluded the process of determining gas transportation tariffs with reference to the sixth regulatory period, which will run from 2024 until 2027.

Following two consultations in 2022 (No. 213/2022/R/gas and No. 502/2022/R/gas), ARERA defined the new transport tariffs starting from 2024 with resolution no. 139/2023/R/gas on 'Criteria for tariff regulation for the natural gas transport and metering service for the sixth regulatory period (2024- 2027)', which approves the new RTTG for the sixth

regulatory period, leaving the structure of the transport tariffs substantially unchanged with respect to the fifth period.

The main changes introduced concern:

- the adoption of an entry-exit allocation of 25/75 (instead of 28/72);
- the introduction of capacity booking on a daily basis, including implicit capacity booking, at redelivery points (PoR) feeding distribution networks (city gates);

- the introduction of quarterly, monthly and daily infra-annual multipliers to RDCs serving industrial users directly connected to transport, equal to 1.2, 1.3 and 1.7 respectively;
- the determination of a discounted metering fee for four years for end customers connected to the transmission network who have transferred their metering equipment to Snam Rete Gas.

Resolution 234/2023/R/gas on 'Approval of recognized revenues and determination of fees for the natural gas transportation and metering service for the year 2024' defining the transportation and metering tariffs for 2024

With regard to transport tariffs for the years 2018-2019, in 2023 ARERA published a consultation document no. 41/23 in which it proposed the modalities for reintegrating part of the tariff already paid by operators.

However, with resolution 410/23, the Authority decided to close administrative proceedings already initiated with a nullity, including with the DCO just mentioned, to comply with the rulings of the administrative judges with which the gas transport resolution for the provisional regulatory period

2018-2019 had been annulled.

In essence, the Authority believes that repeal of the provision (article 38, paragraph 2-bis, of decree-law no. 83 of 22 June 2012) obliging the Authority, from 2012 onward, to introduce certain instruments of greater flexibility and cost-effectiveness for high-consuming entities into the gas tariff, has given rise to a legal framework that requires it to interrupt the compliance process so as not to create situations of incompatibility of the indemnity instruments now to be approved (CRVen) with the

new regulatory framework that has been created.

Since resolution 410/223 in fact jeopardized Repower's ability to recover part of the tariff already paid with reference to the years 2018-2019, the company decided to bring an appeal before the Regional Administrative Court to request the annulment of the aforementioned resolution.

Reform of capacity allocation processes at exit and redelivery points of the transmission network

With resolution 147/2019/R/gas, ARERA had initiated the reform of the capacity allocation processes at the exit points of the gas transportation network feeding distribution networks (city-gate) as of 1 October 2020, committing to:

- “automatically” allocate transportation capacity to the Balancing Users (UdBs) on the basis of withdrawals made at the Redelivery Points (PoDs) served by the Distribution Users (DSOs) underlying the UdB itself, thus overcoming the current procedures for capacity allocation and transfer and simplifying the switching processes;
- Eliminate the deviation fees charged at city gates for any capacity overruns.

The reform has been postponed several times. In 2022, ARERA published resolution 225/2022/R/gas by which it activated the new regulatory regime on 1 October 2023. The Authority also published:

- DCO 502/2021/R/gas, on the application aspects useful for determining the modalities by which Snam will assign to UdBs the transport capacity functional to the gas supply of the RDCs connected to the distribution networks;
- DCO 157/2022/R/gas, on completing the reform’s implementation framework.

With resolution 72/2023/R/gas, ARERA finally regulated the latest provisions on reforming the allocation processes, confirming their effective date as of 1 October 2023. In particular, the resolution defined the formula for calculating the conventional

transportation capacity to be attributed to all the RDCs connected to the distribution networks, and mandated Snam and the Integrated Information System (IIS) to update, to the extent of their capabilities, the network code and the technical

rules in order to update the procedures and information flows necessary to implement the reform.

Neutrality Charge

- With its DCO 588/2023/R/Gas, the Authority envisaged the introduction in Italy of a Neutrality Charge, to be applied at the interconnection and exit points of the national transmission network in order to cover costs arising from the filling service of last resort storage facilities referred to in ministerial decrees nos. 253/2022 and 287/2022.

The Neutrality Charge, estimated at € 2.32 c/Smc (€ 2.1908/MWh), would apply to all exit points of the transmission network, be they domestic or points of interconnection with foreign countries, assuming that the currently known net domestic costs of implementing the last resort storage filling service are covered in three years by an identical charge.

In addition, the Authority proposes that the fee should apply as of 1 April 2024 and be updated annually (the first time by December 2024) on the basis of changes in the political/economic environment and/or revisions of the estimates of cost coverage of the last resort

storage service. With respect to national exit points, the Neutrality Charge would do away with the current method of collecting the necessary revenue through the CRVos charge, with a consequent redetermination as of 1 October 2024.

The amounts collected, in the period October 2023-March 2024, with the CRVos fee in excess of the needs to cover storage costs other than the filling of the last resort storage facilities would be taken into account in the dimensioning of the fee.



€ 2.32 c/Smc
estimated
neutrality charge

€ 2.1908/MWh

01/04/2024
PROPOSED DATE OF
APPLICATION

Risks and uncertainties

Financial risks



DERIVATIVE FINANCIAL INSTRUMENTS

Pursuant to article 2428, paragraph 2, point 6-bis of the Italian Civil Code, below we provide information on the use of financial instruments, as they are relevant to the evaluation of the balance sheet and financial situation. Derivative financial instruments, mainly used to hedge price risks related to energy and gas contracts, are indicated in the notes to the financial statements. The closing of differential contracts

for hedging purposes was carried out in order to **reduce to zero the market risk of underlying physical transactions**. In 2023, in compliance with internal directives on trading in energy and gas commodities (although not predominantly on trading portfolios), derivative financial contracts with speculative purposes were also entered into. These differential contracts were included in the trading system within a special

portfolio called 'HFT (Held For Trading) financial contracts.' The type of speculative contracts and the contract limits entered into, were authorized and approved by the company's management. The details of these transactions and the economic fair values have been described in the Notes to the Financial Statements.



PRICE RISK

Commodities price risk is the market risk related to changes in the prices of energy commodities such as electricity, natural gas, carbon, coal and fuel oil, as well as **derivatives on these commodities**. In 2023, the price volatility of these commodities returned to historical average levels prior to the exceptionally high levels of 2022, despite the ongoing Russian-Ukrainian war and the start of the Israeli-Palestinian war. The main energy markets in which Repower Italia S.p.A

manages its assets – the Italian electricity and gas markets – are increasingly influenced not only by national fundamentals, but also by those of other countries, due to a greater integration of European electricity exchanges and TSOs, and the increased importance of liquefied natural gas in Italy. Price risk control and management activities on Repower Italia S.p.A.'s portfolio are managed by the Risk Management team of the Trading function and involve the adoption of

specific risk limits and the use of financial derivative instruments commonly employed on the market to contain exposure within established limits and stabilize the cash flows generated by the outstanding contract portfolio. These hedges, as reported in the Notes to the Financial Statements, are carried out in a timely manner and without a speculative purpose.

- As required by article 2428 of the Italian Civil Code, the main risks and uncertainties to which the company is exposed are described below.



Financial risks



INTEREST RATE RISK

Interest rate risk is related to **medium- and long-term financing**, and has a different impact depending on whether the financing is fixed-rate or variable-rate. In fact, if the loan is at a variable rate, the rate

risk is on the cash flow; if the loan is at a fixed rate, the rate risk is on the fair value of the debt. It should be noted that the parent company ensures constant monitoring of the Group's economic-financial

equilibrium by monitoring exposures.



LIQUIDITY RISK

Liquidity risk is the risk that **financial resources will not be sufficient to meet financial and commercial obligations** within the established terms and deadlines. The Company is able to meet its obligations falling due

in the short term through those resources actually available in liquid form in the same time frame. As of 1 July 2022, with the aim of increasing the financial autonomy of the Italian companies, the financing line of the Swiss Parent

Company was reduced from €150M to €30M and the **Company activated two short-term financing lines for a total of €70M** to replace the Intercompany line.



CREDIT RISK

Credit risk is **the risk that a counterparty defaults on payment of its obligations**, causing a financial loss. Credit risk is monitored in accordance with the risk assessment procedures adopted by the Repower AG Group.

Group procedures envisage that for each customer, following an assessment of their balance sheets, **a ceiling is assigned to credit exposure without**

guarantees and a further limit with letters of patronage from the parent company or banks.

The receivables shown in the balance sheet are mainly due to energy and gas trading activities on the Italian market.

The **average credit risk** associated with companies operating in the electricity market **has increased** in an absolute sense. This change is substantially due to the

impact that the commodity price trend has had on operators that are not fully structured and have not been able to effectively absorb and manage this dynamic.

Risks linked to the external environment



LEGAL AND REGULATORY RISKS

Risk factors in management activities include **the constant and not-always-foreseeable evolution of the regulatory and normative context of reference** for the electricity and natural gas sectors, with an effect on the functioning of markets, tariff plans, required

levels of service quality and technical-operating fulfilments.

In this regard, the Company is engaged in **continuous monitoring and constructive dialogue** with institutions aimed at promptly assessing regulatory changes that

have occurred and working to minimize their economic impact. In this context, the main regulatory changes underway are fully described in the Regulatory Aspects section.



MARKET RISK

The energy markets within which the Group operates returned to price and volatility levels closer to their historical averages with respect to the previous year.

Energy commodity price risks arise from the volatility of electricity, CO₂ and gas commodity prices, changes in price levels or correlations between

markets or between commodity delivery dates. These affect the company's results and cash flow.

Market risk management always plays a key role at Repower Italia S.p.A., even when price, liquidity and counterparty risk levels are low and gradually decrease over the course of the year, as was the case in 2023. Indeed, market

risk is inherent to trading activities and is managed in compliance with the Company's Risk Guidelines and by resorting to suitable financial instruments to hedge risks.



INFORMATION TECHNOLOGY PROCESS RISK

Complex information systems **support various business activities** and processes. Risk aspects concern the adequacy of these systems, availability and integrity/

confidentiality of data and information. The Company has **disaster recovery services** in place to ensure operational continuity, and configuration of hardware and software on

an alternative CED within defined timeframes. This system is audited twice a year.



ESG risk monitoring

With the analysis conducted in 2023 on the previous year's management, Repower Italia demonstrated optimal management of ESG issues, obtaining a BBB rating from Cerved Rating agency.

Efforts highlighted included: work conducted to extend the scope of **Scope 3 emissions reporting**; possession of **ISO 14001 certification** and **EMAS registration**; the presence of a **code of ethics**; and the **231 model** associated with excellent employee health, safety and training.

The assessment certified that the Company demonstrated an adequate overall capacity to manage risks and opportunities related to environmental, social and governance (ESG) aspects.

Concerning the environment, the Company has shown an ongoing commitment to

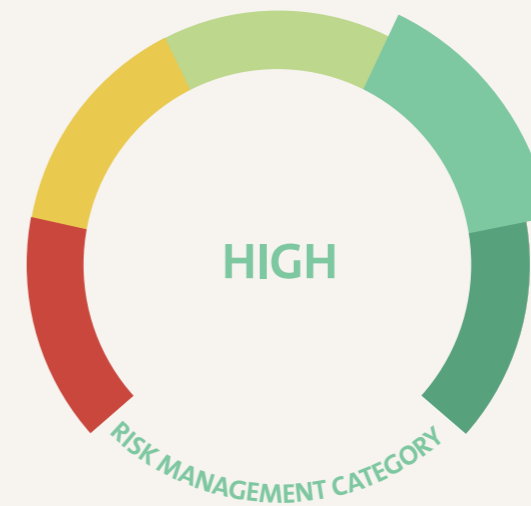
reducing its environmental impact, with environmental policies and objectives, ISO 14001 certification and EMAS registration.

The green transition of our business model was emphasized through the production and sale of energy from renewable sources, as well as the development of green products and services.

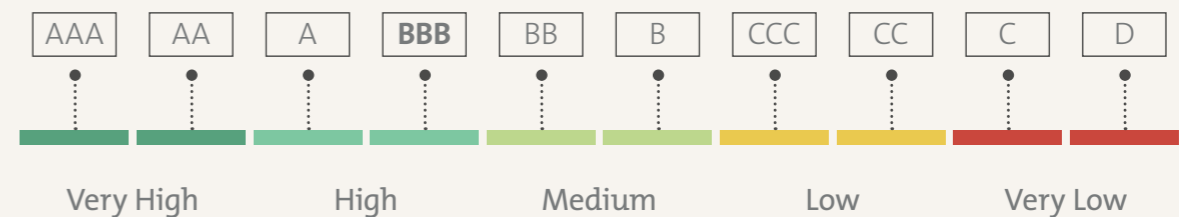
On the social side, the company can boast a solid organizational structure, with particular attention to human rights, workers' health and safety, as well as employee training, through the tools included in its **Code of Ethics and Model 231**. An increase in per capita training hours for employees was noted, along with a positive welfare system and a strong commitment to the territory and local communities.

In terms of governance, the company is led by a Board of Directors commensurate with its size. Gender diversity in senior positions is good and management policies and systems are in place, along with a code of ethics and a 231 organizational model.

At the governance level, the good governance of the **Board of Directors and its involvement in overseeing ESG issues** by the dedicated body is evidence of an ongoing and sustained commitment to all ESG verticals, and to a good distribution of added value to all stakeholders in particular.



ESGe RATING CATEGORIES AND RISK MANAGEMENT CAPABILITY



Significant events occurring after the end of the financial year

- On 29 January 2024, Repower acquired an additional 40% of Erreci srl and Erreci Impianti srl by early exercise of the purchase option, thereby consolidating a 70% stake in both companies.

Payment of the controlling share was made in January and February 2024. The contract calls for a deferred portion of the price in the financial years 2025, 2026, 2027 and 2028 and an earn-out to be paid in 2028 based on the business results of the acquired companies.



2024 Business Outlook and Targets

- With regard to the objectives and strategies for the financial year 2024, management expects to increase the quantities of electricity and gas transacted due to both the planned increase in volumes for Repower Vendita Italia S.p.A., and the company's own sales activities for third-party wholesalers.

Management also aims to develop activities related to energy efficiency, electric mobility and value-added services, which are currently offered to end consumers. Despite the ongoing Russia-Ukraine conflict, prices in the markets have fallen significantly compared to 2022. Therefore, again compared to

2022, conditions in terms of working capital requirements and overdue loans have improved. The credit lines activated at the beginning of 2023 with banks were therefore more than sufficient to manage working capital dynamics, which improved significantly.



Repower's objectives and strategy for the 2024 financial year

Research & development activities

- Pursuant to point 1) of the third paragraph of the Italian Civil Code, it is hereby certified that no research and development activities were conducted during the year.

Treasury shares and shares in subsidiaries

- Pursuant to subsection 2, points 3 and 4, of article 2428 of the Italian Civil Code, it is hereby declared that as of the end of the financial year, the Company did not hold, either on its own account or through trust companies or intermediaries, any of its own shares or shares in parent companies, and that no transactions for the purpose of buying or selling the same were carried out during the financial year.

Intercompany and related party transactions

- With regard to the provisions of point 2) of the third paragraph of article 2428 of the Italian Civil Code, it should be noted that the Company holds equity investments. These are described more in full in the Notes to the Financial Statements.

Details of intercompany and related party transactions in 2023 are provided in the Notes to the Financial Statements of Repower Italia S.p.A. for the year ending 31 December 2023.

National Tax Consolidation

Parent company Repower Italia renewed its option to participate in the national consolidated tax regime for the three-year period 2023/2025 pursuant to articles 117 et seq. of the T.U.I.R., which allow IRES to be determined on a taxable base corresponding to the algebraic sum of the

positive and negative taxable amounts of the individual companies participating in the consolidation.

The economic relations, as well as the mutual responsibilities and obligations, between Group companies participating in

the consolidation are defined in the 'National Consolidation Rules' based on the criterion of neutrality of tax advantages and charges.

The Rules, in brief, stipulate the following:

- Subsidiaries with positive taxable income recognize to the consolidating company 'tax adjustments' equal to the sum of the relevant taxes due on the transferred income net of the tax credits transferred to the consolidating company;
- Subsidiaries with negative taxable income receive compensation from the consolidating company equal to the tax savings realized;
- Companies with excess non-deductible interest expenses pursuant to article 96 of the T.U.I.R. receive compensation from the consolidating company equal to the tax savings realized by the group.



Corporate Governance

Board of Directors



FABIO CARLO MARCELLO BOCCHIOLA - MANAGING DIRECTOR

- Born in Milan, Italy on 05 February 1964
- Degree in Economics, Dipl. in piano in Brescia
- Since 2002, Rezia Energia Italia S.p.A. (now Repower Italia S.p.A.)
- Since 2010, member of the Repower Executive Board, Director Italy and Country Manager.



ROLAND LEUENBERGER - PRESIDENT

- Born in Zug, Switzerland on 16 January 1968
- Degree in Economics, ETH Zurich
- CEO of Repower AG since 2019
- Formerly UBS S.A., Head of Finance & Controlling at Wealth Management International.



LAURA RUFFINI - COUNCILLOR

- Born in Bergamo, Italy on 03 October 1969
- Milan Polytechnic
- Director Renewable Energy, 2003 to 2010
- Director of Investment Evaluation Renewable Sources and Special Projects, 2010 to date.

Board of Auditors

• LUCA SIMONE FONTANESI - PRESIDENT

Born in Viareggio, Italy on 24 April 1964

• ROLANDO SINELLI - AUDITOR

Born in Milan, Italy on 24 November 1961

• STEFANO BERNARDINI - AUDITOR

Born in Milan, Italy on 09 January 1963

• DIEGO RIVETTI - ALTERNATE AUDITOR

Born in Rovato, Italy on 30 September 1957

• MARCO ERCOLE ERNESTO PEDRONI - ALTERNATE AUDITOR

Born in Milan, Italy on 29 September 1982

The board of auditors was appointed by the shareholders' meeting of 30 April 2021, and is in office until the approval of the financial statements on 31 December 2023.



02

Sustainability pillars

The steps of integrated materiality

MOSTRA INTERNAZIONALE
D'ARTE CINEMATOGRAFICA
LA BIENNALE DI VENEZIA 2021

Materiality analysis

- This section explores the various dimensions of sustainability, analyzing the challenges and opportunities they present for Repower, society and the environment. This section also explores the processes through which the most relevant issues have been identified, i.e., in line with GRI standards; those that identify the most significant impacts generated by the Group externally; the main ways in which stakeholders are involved; and the procedures for effectively integrating ESG into the company's strategy and culture.

On 5 January 2023 the **Corporate Sustainability Reporting Directive (CSRD)**, a European directive requiring mandatory sustainability reporting for an increasing number of companies, went into effect.

The evolution of ESG reporting requires information to be reported on risk assessment related to material issues such as climate change and the impact on communities.

Although Repower is not among the first companies involved in mandatory reporting, **the company has chosen to anticipate some of the requirements introduced by CSRD**, including the process of identifying material issues.

In line with the GRI 2021 Standard, **an Impact Materiality analysis** was carried out in order to identify material impact issues for the Group, generated with respect to the external context. In addition, **an initial exercise was carried out to assess the financial materiality of ESG issues**, in line with future CSRD and ESRS guidance and requirements.

This operational process made it possible to identify a direct connection between the impacts generated externally (from an inside-out perspective), and the non-financial risks related to these issues (from an outside-in approach).

The interconnection between the two dimensions underpins the company's choices, the dynamics of the entire value chain and, not least, its financial performance.

The 2023 impact analysis, as mentioned above, was carried out in line with the requirements of GRI 3 and identifies positive and negative, potential and actual externalities involving or caused by Repower.

Procedurally, impacts were categorized according to business activity, defining their type, category, status and finally the relevant ESG scope. This research made it possible to isolate and priorities the most relevant impacts, associating them with **a total of eight material themes identified**.

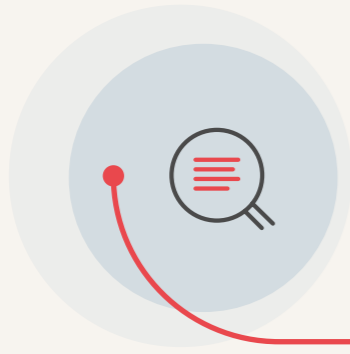
Identification of the topics was carried out consistently throughout the Repower Group: the sharing of a survey supports and validates the identification of material topics, so that the topics and their associated impacts are representative of the company's business and Repower's relationships with the economic and social fabric.

The process involved **16 members of management and 34 external stakeholders at Group level**. For Italy, the surveys led to a reworking of the data for **five members of management and 15 external stakeholders**.



GRI 3

5 stages of the Materiality process

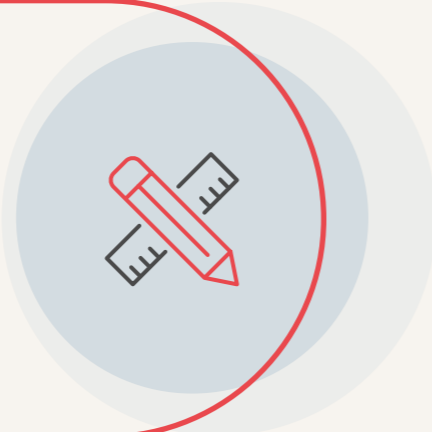


PREPARATION

- Clarification of legal requirements
- Determining the scope of analysis
- Stakeholder involvement
- Interview guides

CONSTRUCTION OF THE QUESTIONNAIRE

- Creating an initial identification of impacts
 - Mapping of mandatory information
- Development of an evaluation shortlist
 - Topic description
 - Description of possible impacts
- Description of risks and opportunities



CONDUCTING THE INVESTIGATION

- Online survey for Repower stakeholders and management
- Personal talks with members of the executive committee
- Relevance matrix

VALIDATION

- Results of the presentation
- Review and approval by management



INTEGRATION

- Definition of data and indicators



Stakeholder engagement

The internal and external stakeholder groups (customers and end-users, sales, employees, suppliers, NGOs, local institutions, shareholders) to be involved in the evaluation were determined and their representatives identified.

Subsequently, an engagement plan and a functional briefing were drawn up to identify issues and the related risks and opportunities, circumscribed by the management as most characteristic for our core business.

The online survey tool (SurveyXact) was used to assess the materiality of impacts and financial materiality. External stakeholders and employees assessed the materiality of impacts by ranking Repower's impacts in order of importance.

Divisional managers in turn assessed financial materiality by ranking risks and opportunities for Repower in order of importance. The results were elaborated and discussed in-depth by members of the board as added value from the involvement of stakeholders and the receipt of external input.

Based on the results of the external surveys, board members had an opportunity to assess the materiality individually as well, during meetings with the Sustainability department.

Repower is in contact with different stakeholder groups in various ways.



20 relevant stakeholders for Italy

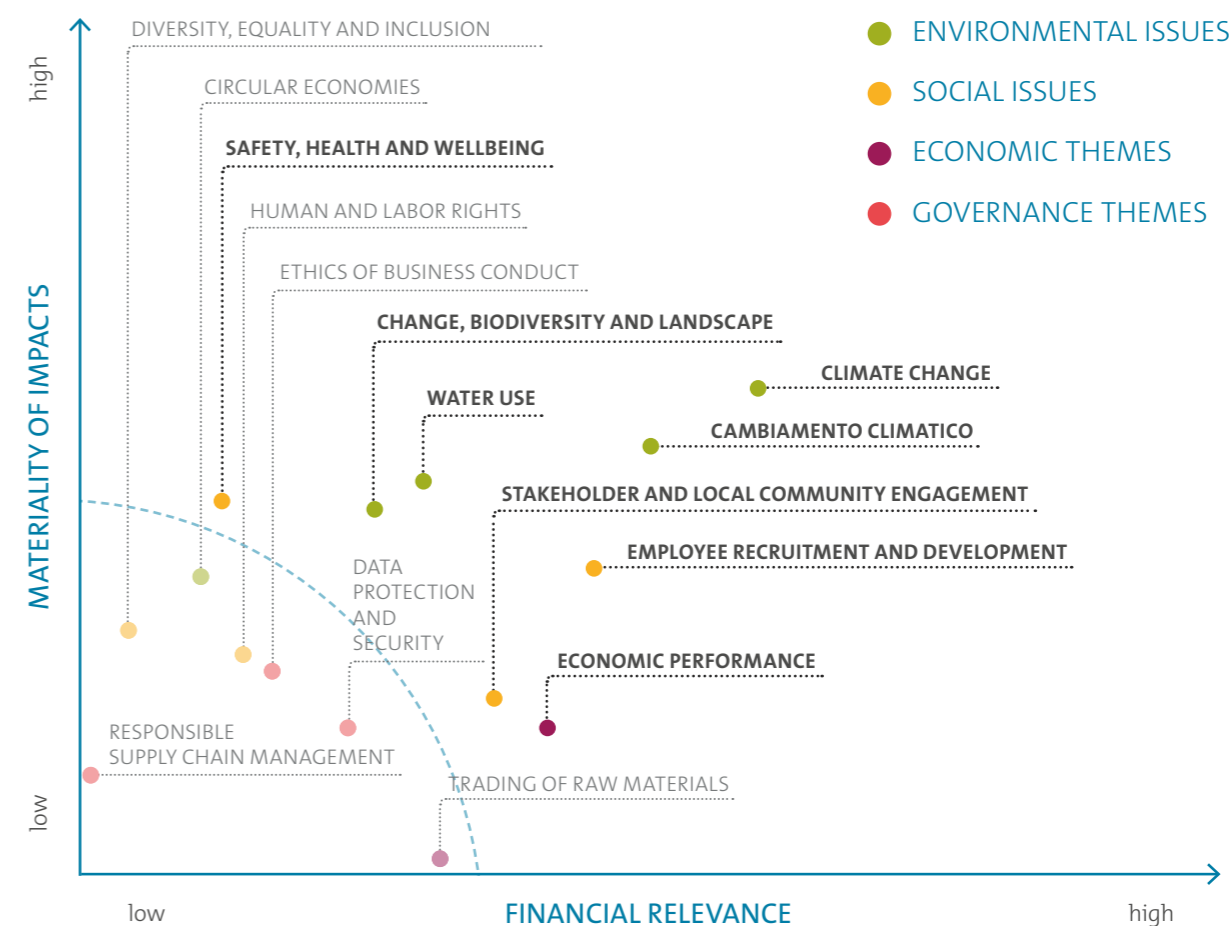
- 5 MEMBERS OF MANAGEMENT
- 15 EXTERNAL STAKEHOLDERS

The most important stakeholder groups are customers, shareholders, business partners, employees, banks and investors.

For Repower Italy, the network of independent agents with whom it operates throughout the country is also an important stakeholder group. The sales network in Italy meets regularly to exchange views and experiences, and is also constantly updated through training courses.

The focus is on a culture of open communication and regular dialogue to enable fair and responsible cooperation. The following results summaries elaborations put together with support from all our stakeholders























Integrated Materiality Matrix



- Finally, to further corroborate identification of these themes, the company has produced a bridging table that recalls the consistency between material themes and regulatory and reporting references at the international level.

GRI - ESRS – SDGs table

GRI THEME	GRI INDICATOR	KPI GRI REQUIREMENTS	ESRS MACRO	ESRS CODE REQUIREMENTS	SDGs
ENERGY TRANSITION					
GRI 302 Energy	302-1	Energy consumption within the organization	ESRS E1 Climate Change	E1-5	
GRI 302 Energy	302-2	Energy consumption outside the organization	ESRS E1 Climate Change	E1-5	
CLIMATE CHANGE					
GRI 305 Emissions	305-1	Direct greenhouse gas emissions (Scope 1)	ESRS E1 Climate Change	E1-6; E1-7; E1-8	
GRI 305 Emissions	305-2	Indirect energy (Scope 2) greenhouse gas emissions	ESRS E1 Climate Change	E1-6; E1-7; E1-8	
GRI 305 Emissions	305-3	Other indirect greenhouse gas emissions (Scope 3)	ESRS E1 Climate Change	E1-6; E1-7; E1-8	
WATER USE					
GRI 303 Water and waste	303-1	Interaction with water as a shared resource	ESRS E3 Water and Marine Resources	E3-1; E3-2; E3-3; E3-5	
GRI 303 Water and waste	303-2	Management of water discharge impacts	ESRS E3 Water and Marine Resources	E3-4	
GRI 303 Water and waste	303-3	Water withdrawal	ESRS E3 Water and Marine Resources	E3-4	
GRI 303 Water and waste	303-4	Water drainage	ESRS E3 Water and Marine Resources	E3-4	
GRI 303 Water and waste	303-5	Water consumption	ESRS E3 Water and Marine Resources	E3-4	
CHANGE BIODIVERSITY					
GRI 304 Biodiversity	304-1	Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	ESRS E4 Biodiversity and ecosystems	E4-1	
STAFF RECRUITMENT AND DEVELOPMENT					
GRI 404 Training and education	404-1	Average hours of training per year per employee	ESRS S1 Own workforce	S1-13	

GRI THEME	GRI INDICATOR	KPI GRI REQUIREMENTS	ESRS MACRO	ESRS CODE REQUIREMENTS	SDGs
STAFF RECRUITMENT AND DEVELOPMENT					
GRI 404 Training and education	404-2	Average hours of training per year per employee	ESRS S1 Own workforce	S1-9	
GRI 404 Training and education	404-3	Employee skills enhancement and transition assistance programs	ESRS S1 Own workforce	S1-13	  
SAFETY, HEALTH AND WELLBEING					
GRI 403 Occupational Health and Safety	403-1	Occupational Health and Safety Management System	ESRS S1 Own workforce	S1-1	  
GRI 403 Occupational Health and Safety	403-2	Hazard identification, risk assessment and accident investigation	ESRS S1 Own workforce	S1-3	
GRI 403 Occupational Health and Safety	403-3	Occupational health services	ESRS S1 Own workforce	-	
GRI 403 Occupational Health and Safety	403-4	Worker participation, consultation and communication on occupational health and safety	ESRS S1 Own workforce	S1-8	 
GRI 403 Occupational Health and Safety	403-5	Worker training in occupational health and safety	ESRS S1 Own workforce	S1-14	
GRI 403 Occupational Health and Safety	403-6	Workers' health promotion	ESRS S1 Own workforce	S1-15	
GRI 403 Occupational Health and Safety	403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relations	ESRS S1 Own workforce	S1-14	
GRI 403 Occupational Health and Safety	403-8	Workers covered by an occupational health and safety management system	ESRS S1 Own workforce	S1-14	
GRI 403 Occupational Health and Safety	403-9	Accidents at work	ESRS S1 Own workforce	S1-14	  
STAKEHOLDER AND LOCAL COMMUNITY INVOLVEMENT					
GRI 413 Local Communities	413-1	Operations with local community involvement, impact assessments and development programs	ESRS S3 Communities concerned	S3-2	  
ECONOMIC PERFORMANCE					
GRI 201 Economic Performance	201-1	Direct economic value generated and distributed	ESRS S3 Communities concerned	-	 

The Strategic Sustainability Plan


■ Within the strategic framework outlined for the period 2024-2027, Repower gives particular centrality to and places particular importance on the Group's strategic plan. The strategic plan is seen as the fundamental pillar that will guide the company as it meets the challenges and seizes the opportunities within the operating environment, paying special attention to managing environmental, social and governance impacts.

The strategic plan plays an essential role in defining the company's direction, providing clear guidance for managing ESG factors. Aware of the growing importance these aspects have within the corporate sphere, Repower places the strategic plan at the heart of its decisions, ensuring an integrated, holistic view that considers ESG impacts and opportunities as an integral part of strategic decisions.

By setting targeted goals and identifying specific initiatives, the strategic plan guides Repower in building a long-term perspective, consolidating the company as a key player in the sustainable energy landscape. Its importance is reflected in Repower's ability to adapt to changing market dynamics while ensuring balanced management of ESG impacts and exploiting emerging opportunities.

Repower is committed to avoiding negative impacts through a careful, legally-compliant and considered approach. In the event of negative impacts, Repower complies with regulatory requirements and ensures clear and truthful communication.

Strategic areas

	MONITORING OF SUSTAINABILITY ISSUES		RELEVANCE OF SUSTAINABILITY ISSUES		RENEWABLE ENERGY
	COMPANY CAR FLEET		DIGITAL SUSTAINABILITY		REDUCING GENDER GAPS, STIMULATING YOUTH EMPLOYMENT
	QUALITY SUPPORT OF THE SALES AGENT NETWORK		ACTIVE LISTENING		COMMITMENT OVER TIME



An Integrated Strategy

The present and future monitoring of ESG aspects for Repower Italy is a crucial foundation for driving the transition to a sustainable energy future. At a time when climate change is an increasingly pressing threat, the importance of adopting corporate policies that promote environmental sustainability is indisputable. Repower Italy has the potential to significantly influence the national energy landscape through a targeted strategic approach.

Repower places particular emphasis on developing human capital. Investing in staff skills and training is crucial to ensuring that the company is able to manage and take full advantage of emerging technologies and new green infrastructure.

Through targeted training programs, Repower Italy aims to create a highly qualified and motivated

workforce ready to meet the challenges and opportunities of the energy transition. Strategies for technological innovation are adopted in line with the business plan. Solutions and technologies are continually being explored to improve operational efficiency, reduce costs and maximize the use of renewable energy.

Repower Italy wants to communicate its vision and strategy for environmental sustainability transparently, involving employees, customers, investors and local communities. In this way the company strengthens the bond of trust, promotes sustainable behaviors and gains the support it needs to fulfil its mission.

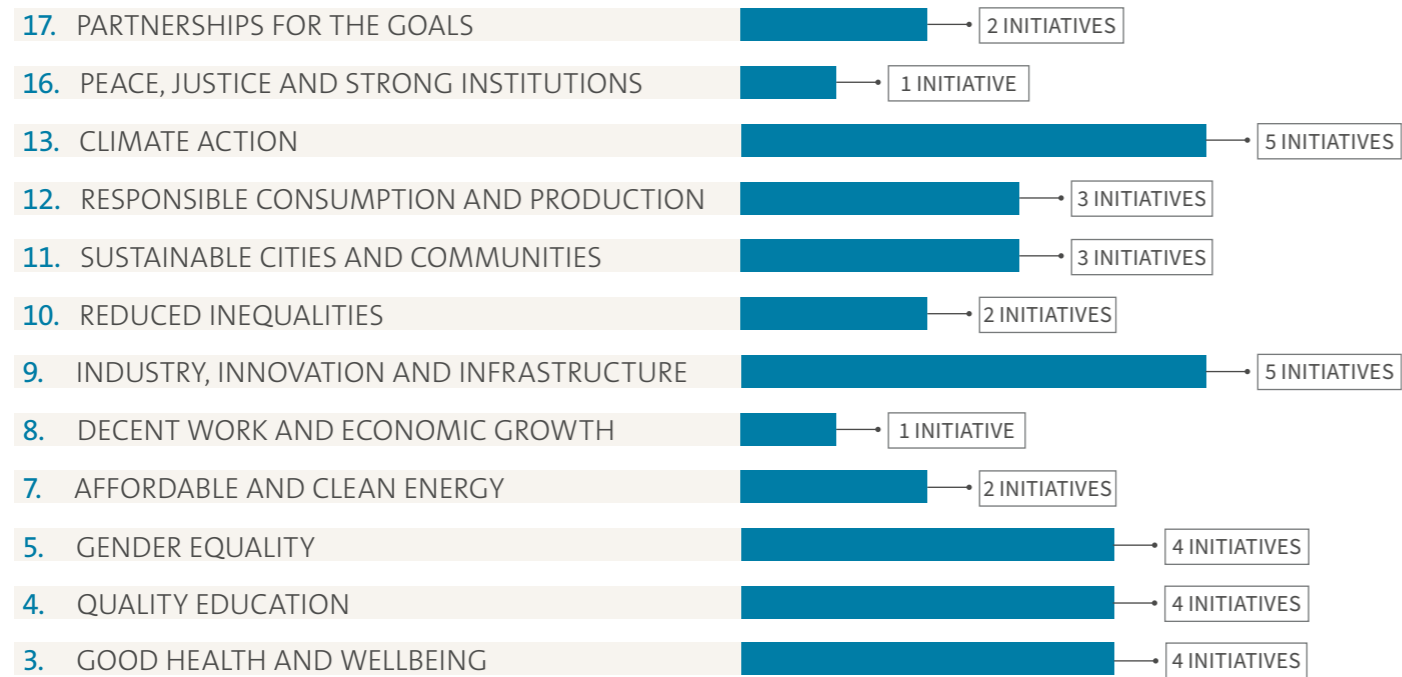
Objectives Achieved

INITIATIVE IMPLEMENTED FOR EACH MATERIAL THEME FROM GRI STANDARDS	START	KPI	ACHIEVEMENTS	STRATEGIC AREAS
INVOLVEMENT OF STAKEHOLDERS AND LOCAL COMMUNITIES				
<ul style="list-style-type: none"> Dedicated Sustainability Committee as a working team in charge of ESG initiatives Board involvement in ESG choices and initiatives Integration of issues within Finance dynamics with CFO oversight 	2023	ON/OFF	Integration of the ESG process into shared objectives	Monitoring of sustainability issues
<ul style="list-style-type: none"> Integrated materiality analysis in cooperation with the Repower Group team Risk analysis conducted according to CSRD and TCFD guidelines Evaluation of in-out and out-in issues with stakeholder involvement 	2023	ON/OFF	Compliance with current legislation and EU objectives	Relevance of sustainability issues
ENERGY TRANSITION				
<ul style="list-style-type: none"> Reblading of the Lucerne wind farm (Apulia) on 13 wind turbines by replacing the blade sets on the wind turbines with better-performing sets 	2022	Production increase	Production increase of 13-15% (26MW current) and an increase of useful life of the installation.	Renewable energy
<ul style="list-style-type: none"> Creation of Homo Mobilis, an information platform on sustainable mobility that is always accessible from Repower's corporate website and social media 	2018	ON/OFF	Stakeholder awareness and dissemination	Energy Transition
CLIMATE CHANGE				
<ul style="list-style-type: none"> Completion of the program to replace existing fixed PCs with laptops (44 PCs / 30% of the entire fleet of workplace machines) 	2022	MWh saved	10.16 MWh annual savings	Renewable energy
<ul style="list-style-type: none"> Monitoring of CO₂ emissions related to purchased gas 	2022	CO ₂ equivalent associated with the sale of gas	Value Monitoring	Renewable energy
<ul style="list-style-type: none"> Monitoring of CO₂ emissions of scopes 1-2 -3 	2022	CO ₂ equivalent	Preliminary study for an emissions management plan	Renewable energy
STAFF RECRUITMENT AND DEVELOPMENT				
<ul style="list-style-type: none"> 24 Robotic Process projects 	2021	N. of projects	70	Digital sustainability
<ul style="list-style-type: none"> Development of specific ESGs modules 	2022	agent-specific training hours always available online	7.5	Quality support of the sales agent network
ECONOMIC PERFORMANCE				
<ul style="list-style-type: none"> Measuring sustainability performance through the Cerved ESG Rating 	2021	Rating	BBB	Relevance of sustainability issues

Activities to be Implemented

INITIATIVE GOAL FOR EACH MATERIAL THEME FROM GRI STANDARDS	STATUS	START	OBJECTIVE	KPI	EXPECTED RESULTS	STRATEGIC AREAS
INVOLVEMENT OF STAKEHOLDERS AND LOCAL COMMUNITIES						
• Integration of Strategic Operational Plan and Strategic Sustainability Plan	Ongoing	2023	2025	ON/OFF	Common objectives, awareness and operational efficiency	Monitoring of sustainability issues
• Compliance with CSRD guidance for financial double materiality analysis; Integration of full analysis for EU Taxonomy and TCFD	Ongoing	2023	2025	ON/OFF	Progressive migration toward international and common standards	Relevance of sustainability issues
• Evaluation of membership of organizations dedicated to sustainability issues - ES: 'UN Global Compact	To be launched	2024	2025	ON/OFF	Enrolling in an International Framework	Relevance of sustainability issues
• Use of infographics on key (social) information channels to communicate sustainability issues clearly and effectively	To be launched	2024	2025	N post	Awareness-raising of stakeholders	Commitment over time
ENERGY TRANSITION						
• New photovoltaic plant in Melfi, Basilicata (Italy), on an industrial site	Ongoing	2022	2025	New power installed	New installed capacity of 15 MW (10 MW in 2024 and 5 in 2025)	Renewable energy
• Full electric or hybrid plug-in car fleet (currently 15)	Ongoing	2023	2025	N efficient cars	Reduction of related emissions	Company car fleet
• Development of the Home/Work Travel Plan	Ongoing	2022	2025	KG/year of avoided emissions	Reductions in terms of carbon dioxide (-14,540 kg/year) and fine dust (-3 kg/year less) emitted	Company car fleet
CLIMATE CHANGE						
• Evaluation of the construction of an emission management system	To be launched	2024	2025	CO ₂ equivalent	Monitoring and managing emissions	Renewable energy
STAFF RECRUITMENT AND DEVELOPMENT						
• Possible integration of a Diversity, Inclusion, Equal Opportunities Policy	To be launched	2024	2025	ON/OFF	Awareness-raising of stakeholders	Reducing gender gaps / Stimulating youth employment
ECONOMIC PERFORMANCE						
• Possible mapping of sustainability performance for the supply chain	To be launched	2024	2025	Score	Identification of virtuous partners	Commitment over time

SDGs Covered by Planned Initiatives



Sustainability Makers

“Sustainability Makers – The professional network” is an Italian association that brings together professionals dedicated to the definition and implementation of sustainability strategies and projects in companies and organization. The network’s mission is to promote the authority of sustainability professionals for the benefit of business and society by defining their objectives and professionalism.

Objectives include the development of sustainability-related professionalism for the common good and corporate competitiveness, qualification of the sustainability profession through training and networking, and the promotion of sustainable policies by raising awareness among all stakeholders.

Repower shares this desire to build international networks, and joined this project to participate in national and international debates on sustainability and become an Italian reference point on the subject.

In this context, workshops for skills development are being developed, providing spaces for discussion of best practices, new models and regulations.

The association is involved in significant events such as the CSR and Social Innovation Fair, and collaborates with organizations including ASviS, GLOBAL COMPACT Italia Foundation, UNI and ASSONIME.



Ethical management

The Governance Body

At the heart of the Repower Group's operational structure, the **fundamental principles of corporate governance** are the **guiding thread that guides and regulates corporate decisions**.

Embodied in the Articles of Association, the Organisational Regulations and the relevant directives, these principles are a fundamental compass for the Board of Directors and the Management, which constantly review and adapt them to new requirements.

Both the internal audit committee and the human resources committee are involved in these processes.

For Repower Italia, the **Board of Directors**, in office until 31 December 2023 and comprising three non-independent executive members (details on page 98), is the pillar of corporate governance.

With **33% female representation**, this body is characterized by management expertise, high-profile technical and scientific skills and extensive corporate experience, excluding any risk of conflict of interest, which was not detected in the reporting period.

The board of Repower Italia is appointed by the sole shareholder Repower AG. The **strategic plan**, defined by the Board of Directors, becomes

the cornerstone for the company's management and is entrusted to the CEO and senior management for the **implementation of strategic guidelines and sustainability goals**.

Diligent management also includes an **analysis of potential impacts on the economy, environment and society**, involving both management and members of the Board of Directors in contacts and exchanges with stakeholders, particularly in the production of the Integrated Report and Materiality Analysis.

The Board of Directors is regularly informed about business developments, important transactions and the status of relevant projects. Outside meetings, each Board member receives updates from the Managing Director upon request.

The Board meets for extraordinary transactions, except in emergencies, receiving information on the course of business and actively contributing to the preparation of the Integrated Budget, including outlining material issues.

Significant issues are communicated during meetings or directly to individuals in cases of urgency, but no critical issues emerge at

management level. Progress in sustainability is shared at board meetings, and sustainability targets are integrated into the remuneration plan for top management.

The remuneration system, in line with the national collective agreement for the service sector, has been reviewed and approved by the company's highest bodies.

The management and oversight of sustainability issues are the responsibility of the **Head of Sustainability Management**, who oversees and participates in the Sustainability Committee together with the CEO, CFO, Special Projects Manager and HR Manager.

This body set up during 2023 aims to meet twice a year, net of continuous exchange between stakeholders.

Reporting to the Group is formalized through the establishment of a limited **Core Group** and a larger **Working Group**, thus ensuring close collaboration and coordination, as well as encouraging the sharing and exchange of knowledge on sustainability issues.





The Organizational Model

In the constant pursuit of an ethical and responsible approach, each Italian company within the Repower Group has adopted an **“Organization, Management and Control Model”** in accordance with Italian legislative decree 231/2001 on the administrative liability of legal persons.

This model, known as **Model 231**, is supervised by a Supervisory Board with autonomous powers of initiative and control.

The **Code of Ethics**, which is shared by all Italian group companies, forms an integral part of Model 231, **defining the values and principles that guide Repower’s activities and objectives.**

At the heart of this code are principles such as mutual trust and the assumption of

individual entrepreneurial logic to solve challenges, while emphasizing the importance of managing organizational processes in a simple, clear and efficient manner.

The Repower Group is guided by fundamental ethical values, promoting an environment of trust and personal initiative characterized by simplicity, clarity and speed. Its work is based on the principles of honesty, legality, fairness and integrity.

The company is committed to complying with current legislation, professional ethics and internal regulations.

Discrimination is strongly countered, with a commitment to provide equal opportunities for all employees. No incidents of discrimination were identified in 2023.

Confidentiality of information, respect for copyrights, fair competition and avoidance of conflicts of interest are pillars of business conduct.

Repower is committed to transparent and truthful information, especially in its financial statements and corporate communications, and takes measures to identify, prevent and manage operational and financial risks.

Health and safety are a priority for the company, which **promotes a culture of safety and the continuous improvement of working conditions.**

The environmental commitment is evident, seeking compatibility between economic activity and environmental protection.

Code of ethics

As a result of its strong orientation toward the values of integrity and honesty, Repower has created an **ethical and transparent working environment** that, also in keeping with Italian legislative decree 24/2023 on **whistleblowing**, is designed to protect those who report violations of national and EU law.

In accordance with this decree, the company invites staff and counterparts to report any

unlawful conduct, guaranteeing maximum confidentiality and protection for the reporter. Reports, which may be anonymous or confidential, are accepted through a dedicated channel.

The whistleblowing procedures used at Repower are drafted in accordance with the latest legislation (Model 231, GDPR Privacy, Consumer Protection, Antitrust), and eventual critical situations are also reviewed in terms of risk..



[Go to code](#)

There were five transactions that required further evaluation, and on the whole these presented no problems or noteworthy issues. The decision-making body is updated on the matter when and if specific cases are reported.

Ethical management in the financial market is an obligation, and **the enhancement of human resources is a focus**, with the company promoting the professional and personal growth of employees.

In selecting suppliers, the Code of Ethics plays a key role, with new partners signing the code as an **integral part of contractual agreements.**

The choice of suppliers is based on criteria such as competence, product quality, service level and congruence with market prices. In addition, priority is given to suppliers who adopt a Model in compliance with Italian legislative decree 231/2001.

By placing particular emphasis on environmental sustainability, **the environmental due diligence applied to new suppliers**

(especially those linked to the Teverola production site), aims to mitigate environmental risks and promote responsible resource management.

In an ever-changing world, ethical management proves crucial in addressing challenges and creating a sustainable future for all.



03

**Social
Responsibility**
placing the value
of people front and
center

The heart of sustainability beats through growth in human resources

■ In the period between 2021 and 2023, Repower grew at a rate of approximately 5%, bringing the total number of employees to 210. More specifically for the year 2023, the turnover rate remained low (10%) and there were 17 recruitments, 27% of which were female.

Overall, considering all employees as FTE, Repower has an exit rate of less than 5%, net of an entry rate of over 16%.

Confirming the figures from previous years, 46% of new hires are under-30, a figure that rises to 98% if hires under 50 are considered. These figures testify

to steady growth in human resources that goes hand-in-hand with the Group's financial stability.

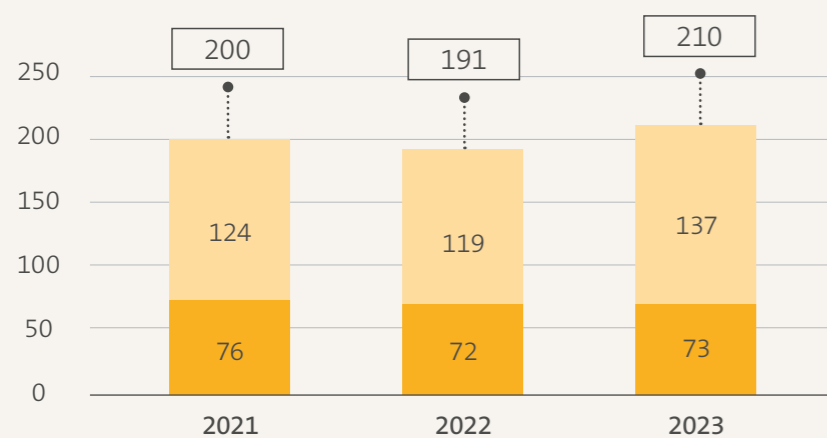
The number of employees was calculated as of 31 December 2023, both in terms of HC and FTE values. In terms of FTE, the deviation is almost insignificant,

as the total number stands at 208 employees.

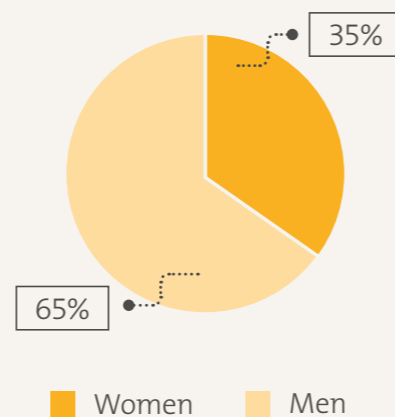
Growth stood at 10% last year in particular, a sign of an ongoing trend.



Employees per gender



Breakdown

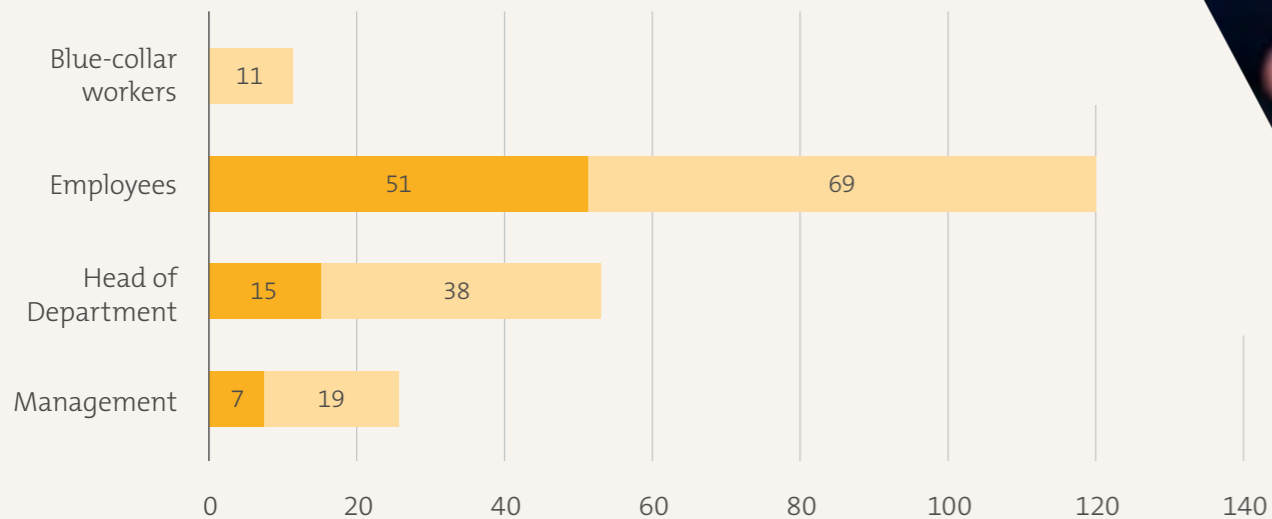


210 employees

- +5% BETWEEN 2021 AND 2023
- +10% IN 2023
- 35% WOMEN IN TOTAL

GRI 401

Employees per position



* Traineeships refer to the white-collar category for 2023, and are included in all human resource indicators.

■ Women ■ Men



17 new recruits

- 46%** EMPLOYED ARE UNDER 30
- 98%** EMPLOYED ARE UNDER 50
- 27%** FEMALE EMPLOYEES
- 10%** TURNOVER RATE

These positive figures reflect an ongoing dedication to providing a working environment that inspires professional and personal growth, thereby reaffirming Repower Italia's attractiveness as an employer. Consistent with the previous year's figure, **35% of Repower Italia's human resources are women** - tangible evidence of the company's goal of promoting and enhancing equal opportunities at every level of the organization.

This goal has been pursued on a daily basis as part of our efforts to develop a community guided inclusiveness.

Similarly, there is an **increasing percentage of women in management roles**, a further indicator of Repower's enthusiasm about and dedication to creating a working environment in which merit and competence unequivocally guide leadership decisions.

In this context, **continuous listening to employees, through surveys and workplace environment analyses**, plays a central role in helping us gather suggestions and criticism with the aim of continuously adapting in-house initiatives to meet changing needs.

At Repower, enhancing the value of the workforce also involves a remuneration system that emphasizes individual achievements and skills, the role they play in their field of activity and a good lifestyle within the organization. The ratio of the highest salary to the median of the others (excluding the highest) is 9.5:1.

During the reporting year, changes may occur with regard to the variable salary components of management positions with customized performance targets. For 2023

such changes are not considered significant.

However, it is interesting to note **the weight of ESG targets on the total remuneration, which is 5% of the total RAL for top management and 10% of the total RAL for employees** who also have variable bonuses (70% of employees).

The monitoring of non-employee employment relationships is associated with specific supply contracts involving, where possible, a range of partners with whom long-term collaborative relationships have been developed, ensuring continuity and reliability.

However, it should be borne in mind that the high variability of the professional figures involved and the occasional nature in terms of the timing of this working collaboration means

that it is possible to identify more partner companies than individual workers who are not included in Repower Italia's hourly/daily counts and management.

Here the reference is explicitly to consultants and professionals who are involved for specific projects.

Among non-employee employees, **the sales network plays a particularly important role for Repower**, representing the point of contact with customers on the ground. This importance is discussed in detail in the section 'The sales network, a backbone of customer relations in the region.'

A 'school of the future' as a way to better interpret the present

- 100% of the company's workforce has been involved in various training initiatives, which remain a form of investment and a fundamental pillar of Repower Italia's strategy.

Each year, an average 24 hours of training is offered for each figure, thus helping to maintain professional skills of high quality and continuous updating for each employee. In 2023, the average total hours actually grew, rising to 34.5, for a total of more than 7,000 training hours provided (7,192.5).

A performance appraisal system makes it possible to monitor the efficiency of Repower's strategic figures: more than 55% of employees were involved in this system in 2023. This number is progressively larger the further up the management structure you move, and this structure is 100% covered by these kinds of evaluations.

Employees' technical skills are enriched by initiatives that foster a mix of knowledge, which remains one of the hallmarks of Repower's approach to training.

Participation in training events, webinars and ad hoc meetings that promote diversity of knowledge and perspectives among employees is actively encouraged. These meetings foster exchanges of ideas and stimulate innovation and creativity across the organization.

For Repower Italia, stability and growth in the employee community are fundamental company pillars. They represent not only the beating heart of operations, but also a tangible indicator of effective human resource management. The wellbeing and professional development of our employees power the heart of our sustainability strategy.

We have also taken a proactive approach to including junior profiles in the commercial structure, through collaborations with university consortia and active participation in employer branding events.

Of particular note is the company's dedication to keeping staff informed about global dynamics by organizing and presenting webinars with leading experts on relevant topics.



7.000+
hours of training
provided in 2023

34.5 HOURS ON AVERAGE
PER PERSON

100%
staff involved



GRI 404



Development of the Academy Gymnasium

Repower continues to invest heavily in the training and development of human resources through a **three-pillar approach: knowing, knowing how to do and knowing how to be.**

Starting in 2022, the Academy Gymnasium became a turning point in training for the sales network, offering a blended course (a mix of traditional and online training). The aim was to provide consultants with all the tools they need to do their job to the best of their ability, including paying attention to the intertwining of their professional role, sustainability and the Agenda 2030 development goals.

Recently, Academy Ginnasio has seen an increase in the adoption of digital technologies, which have made training more accessible, more flexible and aligned with contemporary learning methods.

The integration of traditional training tools, e-learning modules delivered in asynchronous mode and virtual classroom moments in synchronous mode guarantee a comprehensive, stimulating training experience, perfectly aligned with the flexible needs of sales network professionals.

DISCOlunch

Repower organizes discussions on key topics related to **current affairs** (from the world of debt to brand reputation management), the most advanced applications in the field of management and **current transformation trends** (from neuroscience to marketing, including digital marketing and sales transformation), even exploring areas related to the **evolution of organizational culture.** The training program touches on very broad and varied topics, a result of Repower's desire to prepare employees to read and interpret the context in which the company operates and help us write the future rather than be written by it.



mix of training in virtual, traditional and e-learning classrooms

Health, safety, welfare: when a person's individual value comes first

■ Health and safety of employees is a strategic Group priority, fruit of our ambition to value each individual as a person and promote his or her wellbeing not only in professional life, but in private life as well.

Ninety-five per cent of employees have permanent contracts, an indicator of long-term employment stability which, in terms of prevention and safety, echoes the mandatory requirements of the CCNL that all employees sign for the commerce sector.

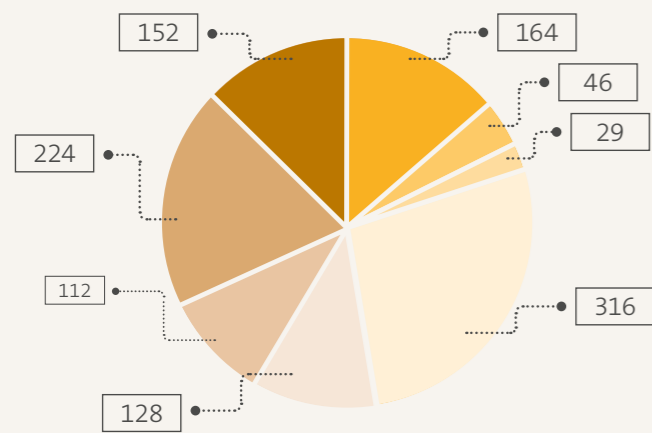
As of 2021, the company has embarked on a process of gradually automating monotonous and repetitive work

tasks, reducing the time spent by employees on tasks that are professionally unrewarding.

This move underlines a focus on the mental wellbeing of human resources as well; an effort to have a positive effect on the fullness and meaningfulness of the activities they are involved in so as to enable our employees to make a more creative professional contribution and bring greater added value to

the company. The introduction of Robotic Process Automation (RPA) marked the beginning of this gradual transformation.

Overall, **376 hours** are dedicated annually to prevention focused on physical health and safety hazards.



Details of health and safety training hours by type

- Workers (update)
- Privacy GDPR
- Antitrust
- Specific training
- GDPR by-design
- Workers "General Training"
- Firefighting
- First Aid



GRI 403

Employee Services

Repower Italia's core principle is to treat its employees as individuals. The company constantly strives to promote employee wellbeing, taking

care of various aspects of their professional and private lives. **Initiatives launched in 2023** focused on various areas, including:



FAMILY

Through an established partnership with Erreci, a subsidiary company, Repower Italia launched the "DOMUS" initiative. This program offers all employees access to domestic electricity and gas supplies at favorable conditions that can also, upon request, be extended to relatives and friends.

In addition, **95% of employees, including non-management employees, have access to additional private health insurance** that can be extended to family members as well.

The company also respects the **7% provision figure** for pension plans and related benefits, for a total in excess of €5 mln for the entire workforce.



MOBILITY

Repower Italia has distinguished itself as a pioneer in the field of e-mobility. The company has launched a bike sharing initiative that allows all employees to use electric bikes during working hours and in their free time.

In addition, recognizing that the mobility sector is still in transition and that some people prefer to use traditional cars, Repower Italia has provided all employees with fuel vouchers as a sign of its focus on transportation costs.

These initiatives are in addition to the option for **favorably-priced public transportation** that the company has offered its employees for some time.



INFORMATION

Repower Italia recognizes the importance of providing tools for critical and organized evaluation of information.

For this reason, the company offers all employees a subscription to the publication "il Post" in order to provide easy access to quality information content.

Automation Platform

In 2021 Repower Italia adopted a **Robotic Process Automation (RPA) platform** and started implementing bots to automate repetitive procedures, reaching **70 operational automations** by the end of 2023. Around 25 people, mainly in the Administration, Treasury and Logistics departments, have worked closely together with project leaders to develop RPA solutions tailored to their specific needs.

Automated procedures include massive exchange of data with external portals, management of collections and defaults on SAP, and the extraction of reports sent via email.

The use of bots significantly **reduced the risk of delays or human errors in these processes**, while simultaneously generating savings in time and human resources estimated at about 2,500 man-hours per year (about 1.3 FTE).

This figure will increase in coming years as new bots are put into operation.

The aim of this time-saving effort is not to reduce the workforce, but to **increase effectiveness and productivity** by extending the range of activities departments can handle, internalizing activities and improving quality results for the entire area.

Safety at work

When it comes to job safety, Repower continues to take a rigorous and legally compliant approach through its **risk assessment system** and its designated employee safety representatives.

Staff regularly attend **health and safety training sessions**, as required by law.

Health surveillance is extended to all personnel at the Milan site, with a low accident rate, controlled in relation to the tasks performed.

At the Teverola plant, where a Safety Management System was implemented right from the start of operations, no accidents have been reported.

All employees are involved and supervised in these activities,

and remain compliant with CCNL requirements (24 hours of specific training every three years).

Considering a single, fortunately minor accident recorded in 2023, compared with nearly 350,000 work hours registered, **the accident rate** involving company personnel can be considered very low, **in the order of 3%¹**.

There have been no other types of accidents or deaths related to occupational accidents or illnesses.



3% accident rate in 2023

1 MINOR ACCIDENT

0 ACCIDENTS OR DEATHS FROM ACCIDENTS OR OCCUPATIONAL DISEASES

24 ORE HOURS OF SAFETY TRAINING EVERY 3 YEARS

0 accidents in the Teverola plant

¹ Rate calculated with the normalizing factor of 1 million working hours.

Security at Teverola

At the Teverola plant, the assessment of health and safety risks for workers is developed and managed in accordance with the provisions of Italian legislative decree No. 81/2008.

In 2011 the **Safety Management System (SMS)** was awarded **SGS certification** in accordance with the **OHSAS 18001:2007** standard; and in 2020 in accordance with the **ISO 45001:2018** standard by RINA Services.

In order to ensure effective systems operation, plant managers hold periodic meetings to address: health and safety issues; quarterly internal audits; continuous communication; training in accordance with plans approved at the beginning of each year; and periodic drills with simulated emergencies.



Inclusion, accessibility and mixing – Repower’s D&I mosaic

- Repower’s ongoing journey: recognizing the importance of a company culture in which diversity and inclusion are drivers for open, dynamic growth.

It is no coincidence that diversity is also stimulated through the creation of cross-functional teams and, where required and possible, by the activation of job rotations that foster ‘blending’ knowledge and perspectives.

The focus on a culture of gender equality is reflected in our ongoing training initiatives. We aim to ensure fair and inclusive development opportunities for all employees.

This culture is reflected in our workforce, where **27% of management roles are filled by women**, indicative of our ongoing commitment to more diverse leadership and an inclusive work environment.

The concept of inclusiveness extends beyond organizational boundaries, reaching into the territory and bringing corporate culture to bear in the surrounding society through educational initiatives.

Incorporating the concept of territoriality within a section dedicated to human beings and values is a choice motivated by the profound importance local communities have for Repower. The territory is a dynamic scenario, one the company encourages its employees to get

involved in personally, helping them act as promoters of change.

One example is the **YouSport Social Club**, a sports association that stands out for affordability, promotion of diversity and orientation toward excellence.

Currently, YouSport is helping design a **multifunctional multi-sports center**, conceived not only for sports, but also as a **place for training and meetings on diversity and social inclusion**.

Repower is also actively involved in social inclusion through sport, supporting the **SocialOsa initiative and its Overlimits team**.

For more than a decade, **SocialOsa has gotten boys with diverse, sometimes severe mental disabilities involved in basketball**, enabling them to participate in tournaments and helping integrate them into the sports community.

27% women in management roles

Support of D&I projects by YouSport Social Club & SocialOsa



[Go to the SocialOsa project](#)



GRI 405

Ethical sustainability: linking the entire supply chain

Connecting talent: building a resilient and inclusive supply chain

- Safety and health remain top priorities in all of the company's business operations. To ensure that occupational health and safety standards are strictly adhered to, this commitment must extend beyond the primary workplace to include all our partners across the supply chain so that the value of safety permeates the entire supply network.

Our Code of Ethics also guides the selection of new suppliers, who sign it as an integral part of contractual agreements. Suppliers are chosen on the basis of criteria such as competence, product quality, level of service and congruence with market prices. All things being equal, priority is given to suppliers who adopt an Organizational Model pursuant to Italian legislative decree 231/2001.

Within the larger context of the recent Corporate Sustainability Due Diligence Directive (CSDD) approved by the European Parliament on 1 June 2023, Repower is gradually integrating the analysis of its supply chain into its sustainability practices.

With reference to human rights, the directive incorporates the United Nations Guiding Principles (UNGPs), committing

companies to respect these rights and to ensure access to means of redress for those who suffer abuse in connection with company activities.

Repower Italy decided to conduct a risk analysis in line with the Children's Rights in the Workplace Index (June 2023), which assesses commitment to combating child labor and respect for decent work.

This analysis involved almost all suppliers, examining their statements and commitments in this respect. For those suppliers where no public information was available, a specific survey was conducted to ensure an accurate assessment. Following the analysis, no suspicious activities were found among the Group's suppliers, who largely provide clear and transparent information.



risk analysis involving all suppliers

EVALUATION OF THE
COMMITMENT TO COMBAT
CHILD LABOR AND PROMOTE
RESPECT FOR DECENT WORK

priority to suppliers with an Organizational Model pursuant to Italian legislative decree 231/2001

GRI 2

Commercial network, the backbone of relationships with local customers

- The company has chosen to assign each customer a dedicated sales consultant, emphasizing the importance of providing a personalized service geared towards long-term relationships.

In this context, the active involvement and value alignment of the sales force plays a key role.

The year 2023 saw the deployment of **489 single- and multi-firm agents**, many of whom have been with Repower for more than a decade. This long tenure testifies to strong relationships established over time between agents and the company.

In the course of their professional development, Repower's consultants become reference points for a portfolio of customers, emphasizing the consultancy aspect of their activities.

Those who demonstrate particular technical aptitude are provided an opportunity to enter development paths and become experts in certain areas, for example thermographer, or 'compressed air expert.'

The company also offers a professional growth path to area manager positions. Area managers are in charge of coordinating and managing consultants.

This opportunity is open to everyone according to clear and shared rules, based on the achievement of quantitative and qualitative objectives, evaluations by direct managers and interviews with sales management.

Recruitment of new talent takes place across a variety of channels including university consortia, employer branding events and virtual job meetings.

The company puts great emphasis on the placement of junior profiles within the commercial structure as a strategic aspect of workforce development.

'Porto,' an integrated system that enables consultants to manage every aspect of their work effectively and efficiently, constitutes a crucial support element that ensures ongoing information exchange with headquarters.



489 active agents in 2023

SINGLE AND MULTI-FIRM AGENTS

10+ YEAR PARTNERSHIP WITH REPOWER

"Porto" integrated management system

Through Porto, consultants can access customer research tools, monitor the status of negotiations, manage their client portfolio and request business support in real time.



A Convention for All

The **National Convention** is a significant event for Repower Italy, requiring considerable coordination efforts to gather all the company's employees – both head office and sales network – together in one place and time.

Broad(e)Way is the title chosen for the 2023 convention, during which Repower Italy presented its goal of building the Repower Charging Net, a new and innovative paradigm in which customers who adopt electric vehicle charging equipment become partners with the company, sharing in the benefits of the growing popularity of electric and hybrid vehicles.

These advantages can be economic, communicative and visible.

The narrative structure of the event guided participants through a journey that began with a reflection on Repower Italia's attitude to change and past successes in the field of electric mobility.

Next, the journey analyzed the distinctive features of exponential processes, then the characteristics and special features of the Repower Charging Net and related new products.

To further enrich the debate, the event welcomed distinguished guests such as Nicola Armaroli and Filippo Solibello, who broadcast a live episode of the sustainability podcast "Rumors d'Ambiente - Alla ricerca della Sostenibilità" (Environmental

Rumors – In Search of Sustainability) was recorded.

The Repower Theatre hosted the event, and employee reactions were particularly enthusiastic given the exceptional quality of the event, which they ranked among the best corporate conventions Repower has held.

At the theatre with Repower

The Repower Theatre was inaugurated on 14 March 2003, designed and built by Forumnet, Italy's leading group in the management of multi-purpose spaces. Today it is a genuine partnership between these two entities, one characterized by several shared values: service excellence, the importance of relationships, and innovation.

Repower planned customization of the theatre's exterior and interior spaces through a striking new stage design inspired by the concepts of electric mobility and sustainability.

The Repower Theatre is also equipped with an e-mobility hub, with twenty designer charging stations equipped with PALINA, designed by Italo Rota and Alessandro Pedretti.

Other Repower solutions for sustainable mobility will also be implemented in order to increase public awareness of the theatre and its activities, as well as to offer a concrete "green" mobility alternative for reaching the venue.



Giving substance to social commitment in the community

Extending a helping hand to those in need

- Through Opera San Francesco per i Poveri (The Saint Francis Association to Help the Poor), Repower has been able to help support many activities carried out by the Convent of the Capuchin Friars of Cesena (Italy). Their efforts focus on helping communities in Emilia Romagna that were hit hard by violent flooding. With Repower's help, the friars were enabled to offer hospitality, basic necessities and means of transport to reach

Opera San Francesco per i Poveri was founded in Milan by Brother Cecilio Cortinovis, who dedicated his life to the poor and, for years, distributed food to poor people who knocked on the convent's door.

Thanks to him and the generosity of entrepreneur Emilio Grignani, the first public kitchens opened in Milan in 1959, establishing a safe, protected place where people in difficulty are welcomed with dignity.

Today the association can vaunt over sixty years of history, a tribute to the generous people who put the principles of Franciscan charity into practice every day, offering anyone in difficulty a hot meal, medical care and a place to rest, shower and put on clean clothes.

Over the years, the kitchen has been flanked by other primary personal support services, such as an outpatient clinic, a shower and cloakroom service,



[Go to Opera San Francesco](#)

psychological and psychiatric assistance, and counseling to help visitors move onto paths of autonomy and well-being.

Trade Associations

Repower Italia is a member of the trade association Energia Libera, of which Fabio Bocchiola, CEO of Repower Italia, is a founding member. Energia Libera is an association of large companies operating mainly in the wholesale and retail power generation and sales sector, but also in other areas of the energy chain, such as gas

sales, energy efficiency and electric mobility, with the exception of regulated sectors. Founded in 2012 as Energia Concorrente, the Association aims to promote free competition and innovation in the energy sector.



GRI 413

Locanda alla Mano: a journey from initial design to current value

2023 marks the ten-year anniversary of the **Locanda alla Mano**, a location dear to Repower's heart because the company played an active role in its realization.

The Locanda was founded in 2013 in the heart of Milan as a **social project for the employment and professional development of people with Down's syndrome**.

In order to realize the Locanda, **people from across Repower contributed internal resources**, volunteering individual skills, experience and time. As early as 2012, when reaching out to

the municipal administration to share the spirit and purpose of the project, Repower began to build a relationship of trust based on concrete results achieved.

In fact, over the past ten years, the Locanda has achieved the virtuous goal of **employing a total of more than 60 young people**.

And in addition to job placement, it has helped create a work environment where young people with disabilities are fully valued according to their potential and aptitudes, consolidating skills that have

enabled some young people to build professional careers.

Over the years, the Locanda's mission has gradually evolved from the mere employment of persons with disabilities to **embrace a multiplicity of values** that have now become an integral part of our way of 'being' and 'being there.'

This evolution is now an established reality and naturally transfers its benefits to the local administration, providing citizens and patrons alike a virtuous example of public-private synergy.



[Go to the Locanda project](#)

The special aspects that complement Locanda alla Mano's mission of include:



HOSPITALITY

An approach to social project management that aims to support professional development and fosters cooperation and synergy with many associations and cultural entities for a variety of social aims (e.g. Vidas, UVI, No Wall, YouSport, Acquario Civico).



PRESIDIUM OF THE TERRITORY

The architecture and layout of the Locanda help make it an area thrown wide open to the world, welcoming people with the most diverse needs, demands and requirements.



EVENTS

The Locanda has always actively produced concerts and events, all of which are permanently free of charge. Their purpose is twofold: on one hand they pleasantly animate the space; on the other they share the nature of the project with a large segment of the surrounding population.



AESTHETIC VALUE

The environmental context in which the Locanda is located is decidedly delicate from an architectural and natural perspective. Right from the initial planning stages, attempts were made to respect and further enhance this aspect in concept, overall design and choice of materials. All aspects were positively assessed by the Superintendency, which in

fact granted project approval. Maintaining the structure with respect to adequate 'beauty standards' requires a constant commitment, as care for the aesthetic aspects is a crucial and functional factor in clearly conveying the cooperative's positive messages.



[Discover La Locanda alla Mano](#)



“Rumors d’ambiente” podcast



Go
to the podcast

Awareness education needs different, fresh languages that capture the many nuances of sustainability in today’s social context. “Rumors d’Ambiente - Alla ricerca della Sostenibilità” (Environmental Rumors – In Search of Sustainability) podcasts are now in their 3rd season. The podcast, which can be enjoyed free of charge on all platforms, is a telescope pointed into the future.

Episodes focus on data, testimonies, expectations and more to imagine tomorrow, sharing stories of women and men, innovators and scientists who are making a difference. In 2023, the podcast was narrated by Filippo Solibello, an Italian radio and television presenter and artist.

2-0-3-1 PRIZE



Go
to the Premium

For years Repower has been the main partner of 2-0-3-1 Prize, the most important innovation competition in Italy and one of the most relevant internationally as an evolution of the Gaetano Marzotto Prize (2010-2020).

In the words of Cristiano Segnanfreddo, President of 2-0-3-1, “Innovation and sustainability will be the drivers of new development for Italy. The vision of new generations is clean energy that drives change.’ A concept so in tune with the company’s DNA that Repower gave its name to one of more than 40 awards distributed by 2-0-3-1 Prize: the ‘Repower Special Prize for Innovation,’ awarded for the sixth time in 2023.

White Paper



GO
to the White Paper

The ‘White Paper on Sustainable Mobility,’ in its 7th edition in 2023, is an annual magnifying glass that focuses on new forms of mobility, measuring their spread and impact, reporting on successful examples and upcoming trends.

The White Paper measures the volumes of the Italian, European and international markets; analyses economic and material resources and undeveloped potential; describes employment implications and the effects of new habits; delves into the subject of batteries and recharging stations, their characteristics and locations; and expands analysis to all the vehicles and mobility tools that play a protagonist’s role in the electric revolution. The podcast includes “Fake Universe,” is a short guide to making conscious, informed choices.

04

Environmental Responsibility

In search
of harmony
with the territory

A production park geared toward innovation

- Repower’s renewable energy efforts including ten wind farms, 21 photovoltaic plants and two hydroelectric power plants with a generating capacity of around 112 MW (in which Repower holds varying percentages), as well as the 400 MW output of a combined cycle power plant.

In the light of these numbers, it is understandable how important it is to cultivate a link with the territories, in other words the nine Italian regions that host these production plants. Repower is deeply committed to these territories, developing technical innovations that guarantee safety and seek

to reduce environmental impact. It is a corporate mission that builds on the reliability of an operator offering energy that the country needs, linking it to the tangible commitment of those who have set out on a path to long-term sustainability.



112 MW
consolidated
renewable power

Consolidation Method for Controlling Environmental Data

To ensure greater alignment with the approach adopted at Group level, environmental data falling under GRI reporting has been reported using a consolidation approach by financial control, as required by the standard.

Similarly to what happens when preparing the financial statements of a group with several subsidiaries, sustainability reporting also requires consolidation of the subsidiaries’ performance indicators under the parent company’s umbrella.

The GRI standard identifies two possible paths:

Consolidation by control: this can be either financial (you consolidate 100% of the figure of the subsidiary in which you have a majority shareholding) or operational (you consolidate 100% of the figure of the subsidiary in which you have a majority of the governing bodies or have delegated authority over the main governing activities). Companies in which you have an interest but no controlling interest are excluded from the reporting.

Consolidation by equity share: the figure is consolidated in proportion to the equity share held, including for minority interests.

For the Consolidation method by control of environmental data, Repower has applied the new approach defined at the beginning of this section, i.e. by financial control, with the values for previous years recalculated according to the new method (differing accordingly from the previous report).

The only exception is power generation data, for which the approach is to consolidate 100% of production for companies in which Repower holds a majority stake, and to consolidate a proportionate share for companies in which Repower holds a minority stake.

GRI 302

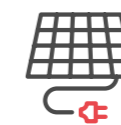


Repower Italy plant map



REBLADING OF LUCERA

- the reblading process of the Lucera wind farm was completed, replacing the pre-existing blades with new, longer and more efficient blades;



CONSTRUCTION IN MELFI

- Construction continued on a new, 15MW photovoltaic plant in Melfi, where the two 10MW and 5MW lots are close to being connected to the grid;



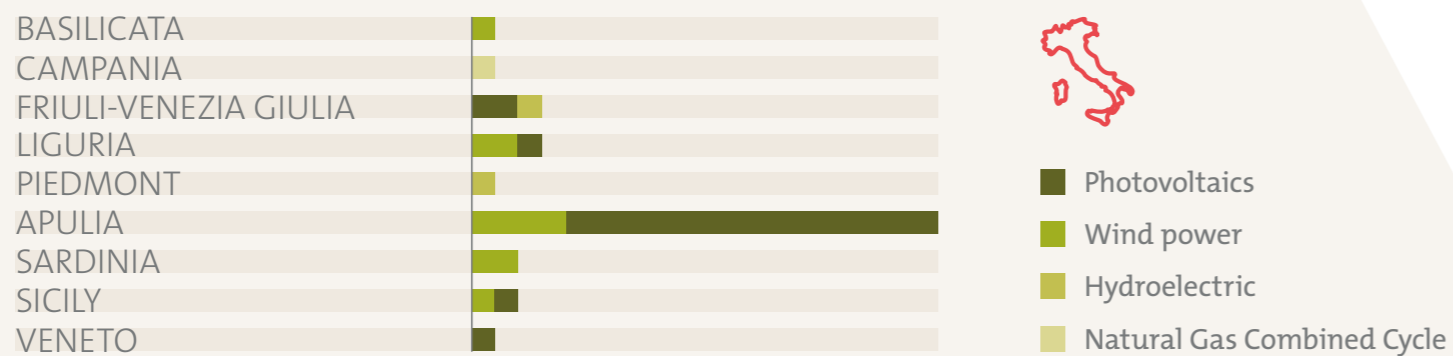
IACOPELLI REVAMPING

- The revamping process of the 'Iacopelli' photovoltaic plant in Sicily has been completed, with previous modules replaced by new, state-of-the-art, double-sided polycrystalline silicon models, thereby increasing energy production without any increase in surface area occupied.

Three main transformations took place in 2023 concerning production park development:

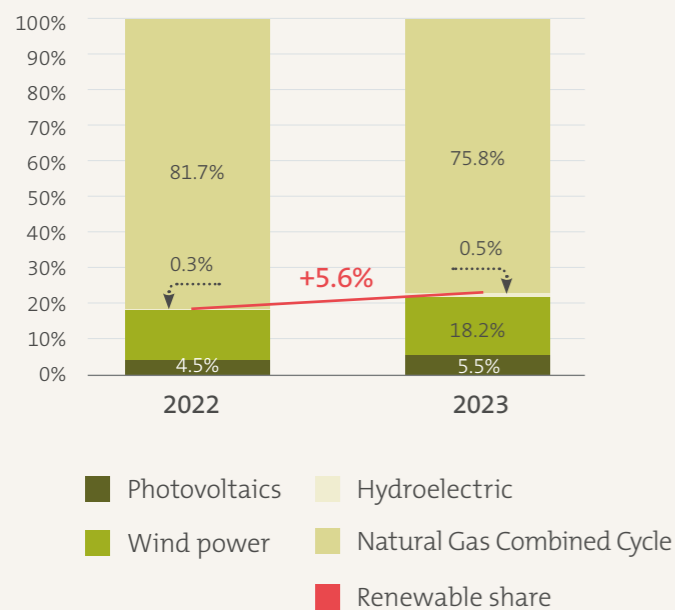
TYPE OF PLANT BY REGION	N. OF INSTALLATIONS	CONSOLIDATED POWER PLANTS (MW)
Natural Gas Combined Cycle	1	400
Campania	1	400
Wind power	10	81
Basilicata	1	9.4
Liguria	2	5.8
Apulia	4	28.3
Sardinia	2	15.5
Sicily	1	22
Photovoltaics	21	28.58
Friuli Venezia Giulia	2	5.7
Liguria	1	0.1
Apulia	16	14.68
Sicily	1	0.7
Veneto	1	7.4
Hydroelectric	2	2.3
Friuli Venezia Giulia	1	0.1
Piedmont	1	2.2
Grand total	34	511.88

Type of plant by region

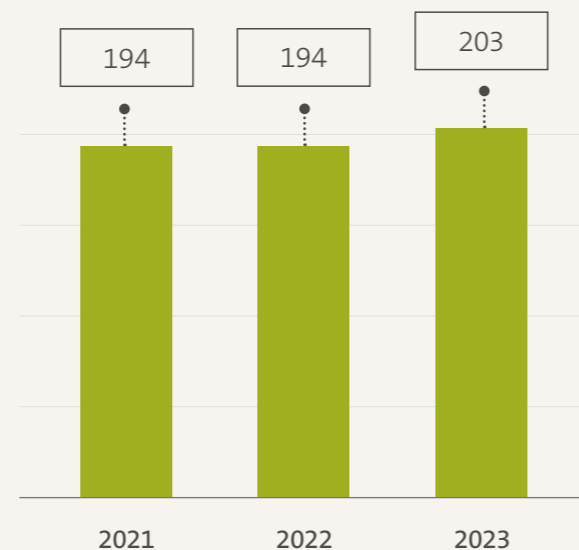




Consolidated power plants



Consolidated renewable production (GWh)



Analyzing the trend of electrical energy produced in the two-year period 2022-2023, against a reduction in absolute terms from 1,051 GWh to 842 consolidated GWh, we can still observe an increase in the incidence of renewable sources on energy produced, which rose from 18.3% in 2022

to 24.2% in 2023 for an overall increase of 5.6%. This positive trend is further confirmed by the increase in absolute terms of renewable energy produced, which peaked in 2023, thanks in part to plant efficiency measures.



+5.6%
consolidated
renewable production



The Teverola power plant as an important balancing node for integration of renewable sources into the electricity grid

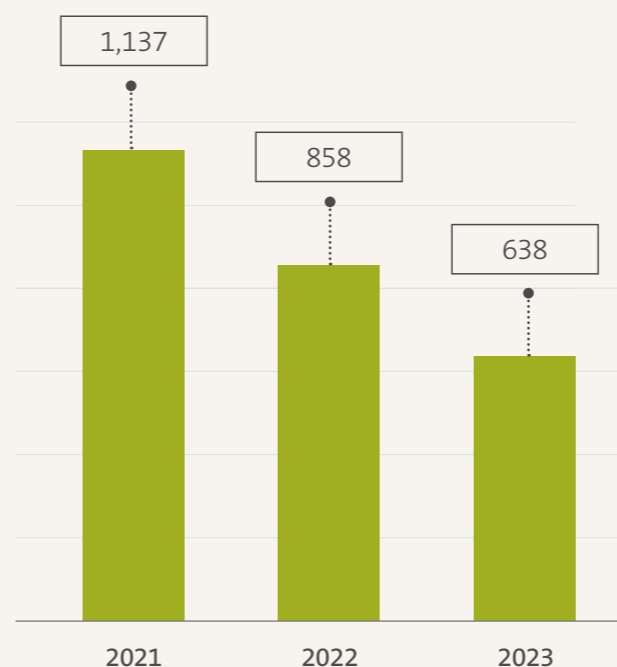
The Teverola power plant is a combined cycle plant fueled by natural gas that can boast high production efficiency and limited environmental impact. With an electrical output of around 400 MW and annual production of 638 GWh in 2023, it is operated by SET S.p.A., a company in which Repower Italia holds a 61% stake. The power plant has been ISO 14001-certified since 2010 and has been EMAS-registered since 2011, guaranteeing its commitment to assessing environmental impacts, planning improvement actions and regularly and transparently reporting on its environmental performance.

Unlike other thermal power plants that produce continuously and meet the so-called baseload demand of the electricity grid, the Teverola power plant operates mainly with a variable regime known as 'load following.'

This characteristic makes it an extremely important element in the balance of the electricity grid, where it complements renewables. In fact, photovoltaic and wind technologies generate power in a non-programmable manner, with daily and seasonal fluctuations that often diverge from natural fluctuations in energy demand from the grid.

In order to keep the grid balanced and avoid supply disruptions, energy reserves must therefore be provided ready to be fed in when needed, to compensate if and when renewables fail to meet demand. The Teverola 'chase' turbogas power plant, thanks to its fast activation times and ability to precisely modulate the amount of power fed into the grid, is in fact a rapidly utilized 'energy reserve' system.

Teverola net production (GWh)



400 MW
electrical power

638 GWh ANNUAL PRODUCTION
ISO14001-CERTIFIED SINCE 2010
EMAS-REGISTERED SINCE 2011

Certifications as adherence to a criteria of excellence

Certifications have always held fundamental importance at Repower. They attest to compliance with quality and regulatory standards that consolidate the company’s commitment to safety, environmental sustainability and responsible management.

The Teverola plant manages the assessment of health and safety risks for workers in accordance with Italian legislative decree No. 81/2008. The Safety Management System (SMS) was certified according to OHSAS 18001:2007 in 2011 and ISO 45001:2018 in 2020 by RINA Services, covering the 39 onsite workers (18.5% of the total). In order to ensure assiduous compliance with certified quality standards, the company holds periodic meetings

of plant managers, conducts quarterly internal audits, manages systematic communication flows, hosts annual training courses and conducts periodic exercises with emergency simulations. The Teverola site has been certified according to UNI EN ISO 14001 by RINA SERVICES S.p.A. since 25 February 2010 and obtained EMAS registration on 6 June 2011.

In 2018, the environmental management system was updated and adapted to ISO 14001:2015, obtaining certification under this new regulation in May 2018 from SET.

The following table shows that, with reference to categories of energy consumed within the organization, almost all energy consumption is related to the combustion of natural gas at the Teverola power plant (99.38% of the total).

This is followed in much smaller measure by the consumption of electricity for offices, warehouses and facilities (0.59% of the total); the consumption of fuel for company cars (0.02% of the total); and the consumption of natural gas for heating offices and warehouses (0.01% of the total).

An interesting insight into the company’s performance can be found in the values of energy consumed within the

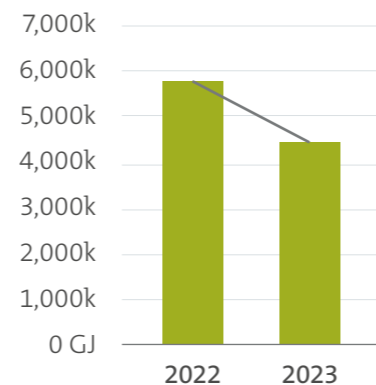
organization normalized against company revenues, which rose from 1,714 GJ/M€ in 2022 to 2,960 GJ/M€ in 2023.

Various factors influence the development of this indicator, including changes in Teverola’s production volumes, as well as changes in the volumes of electricity and natural gas resold by Repower and their respective average prices.

In fact, the company’s turnover was strongly influenced by trends in energy prices, which, after peaking in 2022, gradually decreased during 2023, significantly reducing the denominator of the indicator.



Total energy consumption within the organization



GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

	2022	2023
a. Total consumption of non-renewable fuels (GJ)	5,779,929	4,431,069
Diesel	720	504
Petrol	181	235
Natural gas	5,779,029	4,430,330
<i>of which for electricity generation</i>	5,778,229	4,429,731
b. Total consumption of renewable fuels	-	-
c. Total energy purchased and consumed (GJ)	25,243	26,353
of which electricity	25,243	26,353
of which heat	-	-
of which cooling	-	-
of which steam	-	-
d. Total energy sold (GJ)		14,761,958
of which electricity		14,761,958
of which heat	-	-
of which cooling	-	-
of which steam	-	-
e. Total energy consumed within the organization (GJ)	5,805,172	4,457,422

Solutions to accelerate customers' energy transition

■ In its role as partner to its customers, Repower suggests solutions to accelerate their path toward energy transition and increasing environmental responsibility.

It does this by analyzing electricity consumption to help customers identify those that are not useful for production purposes and single out potential energy-saving measures.

Services for analyzing and monitoring energy consumption

MAPPA

which photographs and quantifies the cost of energy consumption recorded outside the customer company's production hours.

MIRA

which analysis electrical consumption in-depth, identifying areas of consumption that are not useful for production purposes, calculating their costs and suggesting how to reduce them.

MISURA

a long-term consultancy service that monitors the most relevant loads in order to identify anomalies in time and suggest the most suitable interventions to improve a company's energy management.

EFFECTIVE

which constantly measures and monitors the electricity consumption of individual devices in order to identify potential energy-saving measures.

FOCUS

which offers a complete energy diagnosis, identifying more efficient energy management systems and suggesting ad hoc interventions to optimize energy consumption.





Energy efficiency within the company



[What it means](#)



[Why it matters](#)

These services are complemented by **plant investigation skills** to detect faults, anomalies, leaks and consequent energy wastage through:

- **VAMPA**, a thermographic survey of electrical equipment conducted to detect anomalies and faults.

- **SIBILA**, a way of detecting and quantifying air leaks in compressed air circuits.

It is important also to highlight Repower's LED relamping service, **DIODA**, which reduced the consumption of electricity related to lighting by 60%, generating energy savings of € 153,000/year in total.

In 2023, 165 DIODA contracts were managed and 9,451 LED luminaires were installed at customer sites, thereby replacing an equal number of existing luminaires.

Customers can also sign up for the **CERTa option**, a formula that offers Guarantees of Origin (GO) for an amount equal to the monthly energy requirement of the delivery point. **Repower guarantees a 100% renewable supply** with appropriate documentation, proving the customer's commitment to environmental sustainability.

One considerable benefit Repower has achieved through this service offering is the market's recognition of its role as an essential partner in initiating a balanced path to energy transition.

Even more significant is the process of educating production players in a more efficient use of energy and the constant

reduction of environmental impacts. Suffice it to say that thanks to **MAPPA**, a total of **21.5 GWh** of consumption potentially not useful for production purposes was detected by 259 customers in 2023.

Through **MIRA**, in 2023 a total **887,516 kWh** of potentially unproductive consumption was identified, highlighting the main consumption times and suggesting targeted interventions.

Finally, again in 2023, **SIBILA** identified a waste of **14,000 liters** of air per minute, corresponding to €130,000 in wasted energy costs.

Repower's personalized energy consulting service allows corporate customers to experience the energy transition as a moment of great renewal driven by balance and striving for improvement.



Energy saving

153,000 €/YEAR
THANKS TO DIODA

Non-productive consumption detected

21.5 GWh THANKS TO MAPPA
887,516 kWh THANKS TO MIRA

Leaks detected in compressed air circuits

14,000 LITERS/MINUTE
THANKS TO SIBILA

Electric mobility – both beautiful and in harmony with the environment

- Differentiated recharging networks and tools combined with strictly electric vehicles represent innovative, sustainable and intelligent solutions that led Repower to a distinctive offering in the field of mobility.

The solutions the company proposes combined technology with attractive design choices, making them not only functional and advanced, but also visually appealing.

Beauty is given value, because beauty in harmony with the environment not only respects its surroundings, but helps enrich them with meaning.

The recharging networks include:

- **Repower Charging Net**, a nationwide charging network accessible to anyone with a public space where they can offer the service. Using smart charging tools, you can decide for yourself how to configure the hub according to both your needs and the space available. By becoming part of this network, the customer enjoys greater visibility through **Recharge Around**, an app that shows all active charging points. All the kWh provided are covered by Guarantees of Origin, certificates that attest to a contribution to the development of renewable energy sources. Repower Charging Net also provides a customized communication toolkit to promote the charging service offered, and offers installation advice and technical assistance.
- **DINAcub**, an exclusive circuit created to electrify Italy's cycle routes, providing a Repower tool for recharging electric bicycles and ensuring visibility for participating facilities on the main cycle tourism portals.

Repower Charging Hub

The flagship of the Repower Charging Net installations, the **Repower Charging Hub** is a large charging hub in the south of Milan with **20 stations for electric cars**. Located in Assago, along the Milan-Genoa motorway, the hub is designed to meet the charging needs of local residents and visitors to the Repower Theatre and Forum.

The charging hub has **nine PALINA and one fast charge station**. Both allow simultaneous charging of two vehicles, respectively up to 22 kW or up to 75 kW total power.

Recharging can be started and monitored via the **Recharge Around app**, which also provides a station booking service. The hub includes **six charging stations for e-bikes and portable devices** too, as well as an **integrated Wi-Fi hotspot**.

Recharge Around further facilitates the charging process, allowing users to manage the entire process directly via the app.



Charging tools



SYMBIOSIS

A modular, customizable and versatile electric charging tool, adaptable to different configurations. It offers various options including single pole, double pole and hub configurations for more complex installations. It is suitable for indoor and outdoor environments, and is easily expandable. SYMBIOSIS offers a wide

range of customization options, such as colored frames and backlit signs. It comes with a kit of accessories for enhanced visibility and communication. Additional benefits include **integration with Recharge Around**, remote charging management, and a **power rating of up to 22 kW**. Certified according

to Mode 3 standards (IEC 61851), with IP54 sockets and thermoplastic casing, SYMBIOSIS offers **an exclusive design by Alessandro Pedretti for Repower**, with circular monitors and light rings to indicate activity status.



PALINA

A charging station for electric vehicles designed by Italo Rota and Alessandro Pedretti for Repower, combining innovative design, technology and functionality. Equipped with **two sockets for simultaneous recharging** of two- and four-wheeled vehicles, it offers configurable and secure access via enabled card or app. The colorful LCD display conveys multimedia content and operational

information. Thanks to management via web or app, charging can be switched on and off remotely with a simple tap. Compliant with IEC 61851 charging standards, PALINA is **suitable for both indoor and outdoor use**, with an IP54- and IK10-certified casing for protection against water and mechanical shocks. The LED lighting system ensures low consumption and high efficiency, while the power

rating ranges from **3.7 kW to 22 kW**, depending on requirements. Connected via GSM/3GP modem, Wi-Fi or Ethernet cable, it also offers a remote communication system with open OCPP protocol. Easy to install on the ground, it requires a 400V 32A three-phase mains connection and also comes with a communication kit designed to help enhance its presence.



GIOTTO

A complete electric vehicle charging solution designed for businesses. Thanks to its award-winning design and installation versatility, GIOTTO can be **easily integrated into public spaces**, offering an extra service to customers. By customizing the frame and using its surface for communication, it also becomes a marketing

tool. Using the Recharge Around app, **the frame can be included in the map of charging points**, increasing a company's visibility. Remote management allows **remote control of recharging** and monitoring of energy consumption. Equipped with **power up to 22 kW and a Type2 connector**, it offers advanced features such as

load management and load balancing. With IP54 and IK08 certification, it ensures safety and protection against shock and electrical hazards. GIOTTO is a complete and reliable solution for promoting corporate electric mobility.



DINA

An innovative e-bike rack, suitable for outdoor and indoor spaces, **with docking capacity for five bicycles and simultaneous charging for four**. The structure is accompanied by a totem (DINAclub) that signals membership and allows cyclists to accumulate credits. It is also equipped with IP55 Schuko sockets and QR code for check-in via Komoot, and is compact in size and equipped for secure installation.

E-LOUNGE

The E-LOUNGE suite offers a blend of features: **e-bike charging, power for portable devices and integrated WiFi**. Winner of prestigious **design awards**, it was also featured at Milan Design Week 2023. Equipped with **six charging sockets, a Wi-Fi hotspot and four seats**, its robust design and durability makes it ideal for outdoor spaces. LED lighting, manageable via app, ensures visibility at night.



With **remote management**, you can monitor energy consumption and receive notifications in case of anomalies. Available in wood or concrete, E-LOUNGE is a complete solution to provide a comfortable, functional place where people can relax and charge up at the same time.



Electric vehicles



LAMBRO

LAMBRO three-wheelers are designed to move goods and people in a sustainable and versatile way, featuring award-winning design and adaptable configurations. LAMBROgio is an environmentally-friendly 'trike' for fast

travel and goods handling, while LAMBROgino is more compact and suitable for transporting people and small loads. Both are equipped with advanced technical features such as lighting, safety systems and integrated charging.

With the LAMBRO app, vehicle status, battery and navigation can be monitored, making the user experience intuitive and informative for users.



REPOWER^e

The Repower boat^e introduces electric mobility to the sea, offering a new, clean and quiet sailing experience. Powered 100% by electricity, it combines

advanced technology, high performance and low environmental impact. Thanks to a fully electric motor, it guarantees zero emissions, low running

costs and pleasant, noise-free sailing.

Homo Mobilis

Since 2018, Repower has been running a blog dedicated to sustainable mobility that offers information, stimulation and insights, acting as a unique and reliable source of information. Its structure in thematic headings makes it very user-friendly.

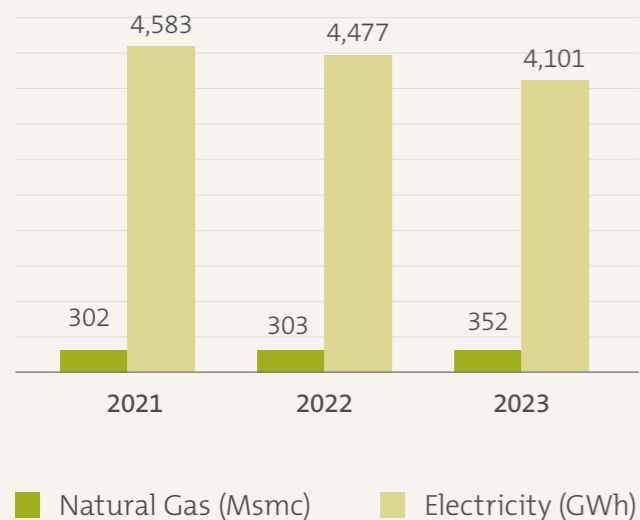
In 'Italia in elettrico,' Italian customers are interviewed and excellence within Italy's mobility sector is highlighted, expanding to explore the entire Italian automotive sector in order to understand how Italy is changing as it drives toward electrification. The editorial column 'Mobility Pearls' uncovers fake news and outlines trends in the sector. There is also a space dedicated to the world of mobility events and conferences,



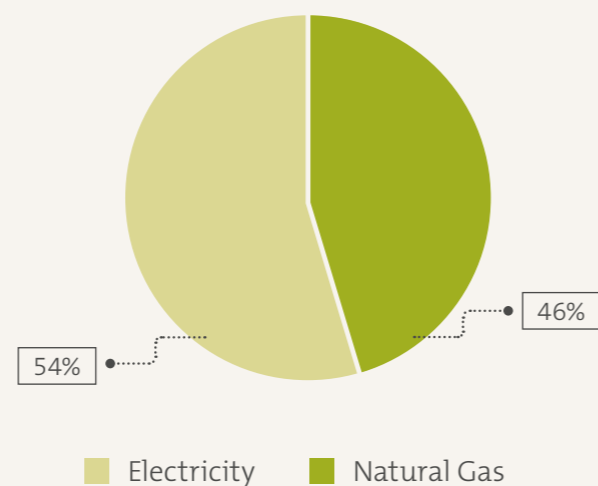
Go to the Homo Mobilis blog

also promoted by Repower, called "Travel Diary." A column titled "Freewheeling" explores various modes of environmentally-sustainable transport and their interconnection with consumer lifestyles and environmental impact. Last but not least, "Word to the Future" gives Repower's experts a voice in the world of sustainable mobility, offering insights into future prospects for the sector.

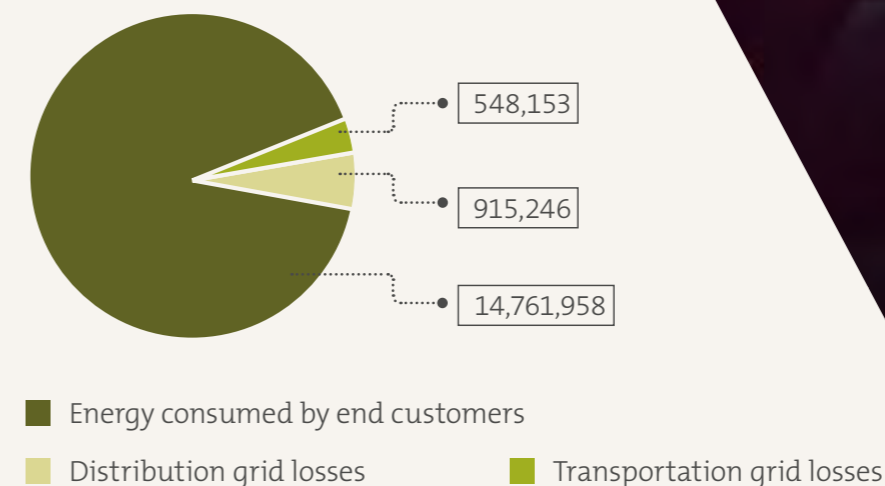
Electricity and natural gas



Total energy distributed in 2023



Energy consumption outside the organization (GJ)



Volumes

Looking at the overall volumes of electricity and natural gas distributed by Repower Italia, the last three years have seen a downward trend in the volumes of electricity sold. This trend has been particularly significant in the last two years (-8%), amounting for 4,101 GWh (equivalent to 14,762,000 GJ).

Natural gas, on the other hand, has registered an increase over the last two years of 16%, reaching volumes of 352.5 Msmc (equal to 12,455,000 GJ, considering a lower calorific

power of 35.337 GJ/1000 smc). Electricity and natural gas, although serving different purposes for end consumers, can be converted to the same unit of measurement in order to make aggregate considerations easier to achieve.

To calculate this equivalence, a complete combustion of natural gas with a lower heating value of 9.81 kWh/smc¹ was considered. It can therefore be deduced that in 2023, combining the two sources, the group distributed a total of 7,560 GWh

(or 27,217,000 GJ) of energy to its end customers.

This figure not only reflects the scale of the energy the company delivers during the year; it also provides insight into Repower's scope and contribution to the Italian national energy sector. The figures show that Repower Italy is playing a key role in the energy transition toward more sustainable sources, contributing to the twin goals of reducing greenhouse gas emissions and promoting renewable energy.

However, it is also important to consider that some of the electricity generated does not reach end consumers due to losses during high-voltage transmission and low-voltage distribution.

Although these losses are not directly Repower's responsibility, but depend on national transmission grid efficiency, it is essential to consider them in the overall calculation of energy consumed outside the company. These losses will have a direct impact on subsequent

evaluations of the company's emission inventory. This highlights how important it is to carefully monitor and manage efficiency and the entire supply chain in order to progressively reduce energy losses.

A similar reasoning applies in the case of natural gas. Although natural gas is not a form of energy in the strict sense (but rather an energy carrier), it still exhibits loss components in the transport and distribution phase. As we shall see later in the section on emissions, both

network losses and the product use phase have been taken into consideration for electricity and distributed gas.

¹ Table of national standard parameters - 2022 M.A.S.E.



The first steps in photovoltaics

In 2023 Repower took its first steps toward offering **commercial and industrial photovoltaic solutions** through its stake in Erreci.

This challenge represented a major commitment from several points of view. It committed the Group's sales consultants to presenting photovoltaics nationwide as the latest expansion of Repower's portfolio of offerings for small- and medium-sized enterprises.

To make this possible, Repower provided solid know-how and professional development to the consultants involved, building a path of training and growth.

This experience was accompanied by a **series of meetings to initiate the integration with Erreci** and encourage the exchange of knowledge and skills between professional colleagues. The company has signed **agreements with credit institutions to propose fee and installment offers**

on the market. This makes it possible to offer operational rental or financial leasing solutions to those businesses that do not want to purchase the system directly.

In broader terms, entering the photovoltaic sector has also meant studying new commercial dynamics, ones that are very different from selling commodities or other products and services the Group has developed in the past.

These are dynamics that, due to the complexity of the variables and economic values involved, require negotiations lasting several months with a considerably high level of technical knowledge.

Entrepreneurs now regard **the construction of a photovoltaic system as one of the most important enablers of business objectives**, a key ally for leveling out fluctuations in energy prices and making themselves more energy independent.

Against this backdrop, Repower, together with Erreci, is fitting into the country's well-trodden path of energy transition and consolidating its leadership role.

Entering the photovoltaic sector in 2023 also required, in addition to the development of technical skills, the refinement of soft skills. The Group also needed to adjust its adaptability and reaction speeds to respond to

seasonal business dynamics, influenced by an incentive system often made up of long wait periods and sudden accelerations.

A **fast process of managing national, regional and municipal tenders** has been structured to enable a timely assessment of the requirements for participation in tenders, the attractiveness of the tender for business, and as a way to maximize the effectiveness of participation for the Group.

2023 greenhouse gas emission inventory

Businesses are key players in the sustainable development of the country system, and in combating global warming. This role is best fulfilled when a company, in addition to fulfilling its regulatory obligations in terms of transparent reporting, sets up a solid decarbonization strategy and formulates solutions that educate people on sustainable behavior, which transcend organizational boundaries and are a source of inspiration for territories and the people who live there.

From this perspective, companies influence, raise awareness and drive human consciousness, but they must also promote constructive dialogue at all levels with those institutions responsible for regulating GHG emission

reductions. With this in mind, Repower's **greenhouse gas (GHG) emission inventory** has been extended since 2022 to include not only direct emissions (under company control), but also indirect emissions that can be influenced in various ways

by the Repower Italia Group. According to the GHG Protocol corporate reporting standard, **emissions can be organized under three "scopes"**:



EMISSIONS SCOPE 1

Represents direct GHG emissions that come from sources controlled or owned by the organization (e.g. emissions associated with fuel combustion in boilers, furnaces, vehicles, etc.). The company has full control over these sources and they are directly related to its production process.



EMISSIONS SCOPE 2

This represents indirect emissions associated with energy the organization purchases and consumes. Although these are indirect emissions, as they are directly attributable to the energy producer and not to the consumer, the organization still has ample maneuvering room (through efficiency-boosting

actions, self-production from renewables or choosing green supplies). Scope 2 emissions are reported using a location-based approach, against which average emission factors of the national grid are applied; or a market-based approach, against which the specific emission factors declared by the energy supplier are applied.



EMISSIONS SCOPE 3

These are indirect GHG emissions that occur along the organization's value chain but are not controlled or owned by it. Scope 3 includes 15 categories of emissions, including goods and services purchased, upstream and downstream transport and distribution, use of products sold, etc.



GRI 305



Breakdown of greenhouse gas emissions (Scope 1, 2, 3)

For Repower, Scope 1 groups together the emissions associated primarily with the combustion of natural gas at the Teverola power plant, as well as the combustion of natural gas at company premises and warehouses, fuel for company vehicles and refrigerant gas leaks¹.

Scope 2 emissions include those from electricity consumption at company premises and the Teverola power station².

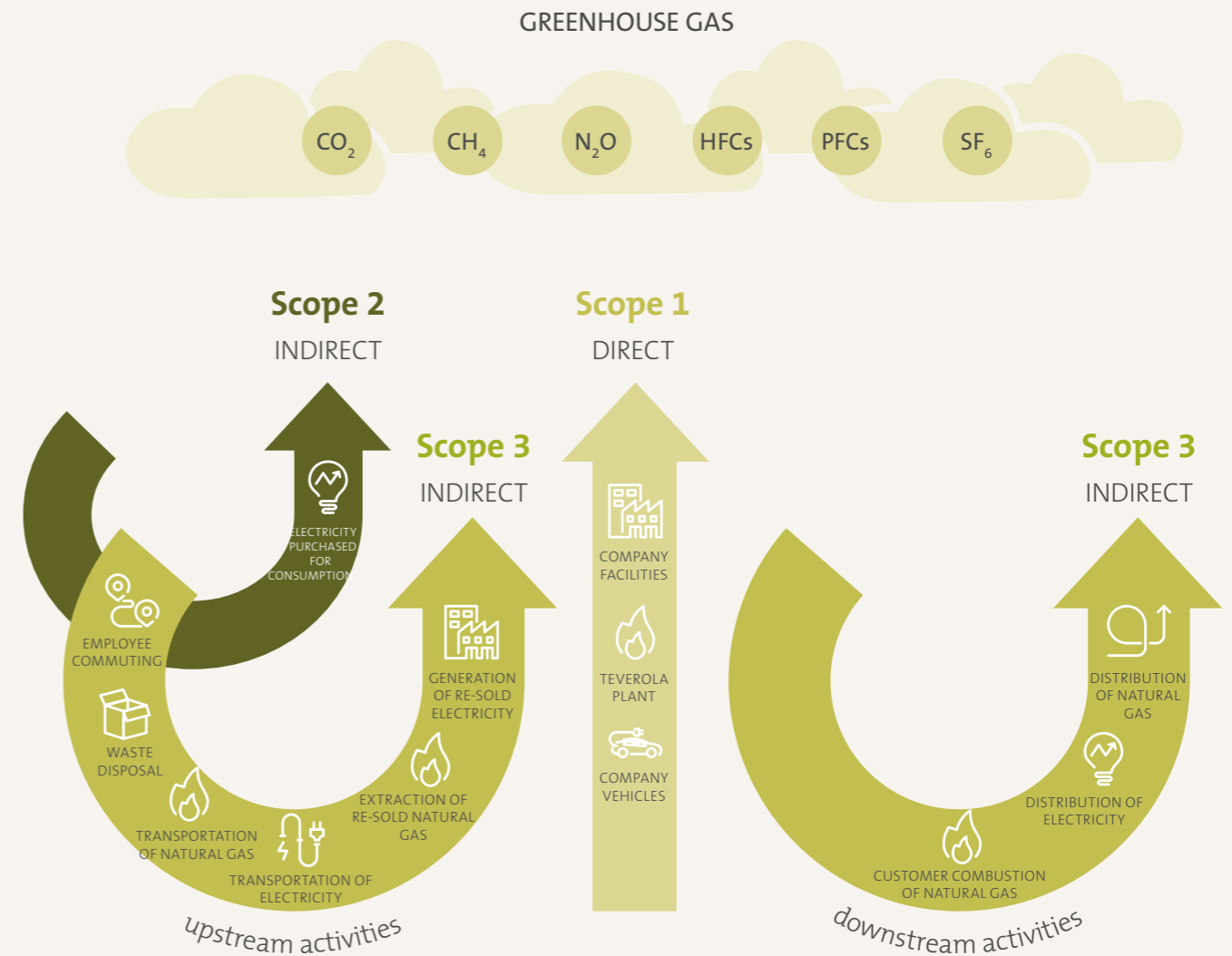
Scope 3 is influenced by the nature of its main products: electricity and natural gas³. In fact, the majority of overall emissions are attributable to:

- production of purchased electricity for resale and the extraction of natural gas and its refining (Category 1: emissions associated with purchased goods and services);
- import and transport of natural gas and electricity (Category 4: emissions associated with upstream transport) and their distribution (Category 9: emissions associated with downstream transport);
- emissions associated with the combustion of natural gas by customers (Category 11: emissions associated with the use of the product sold);
- production and transport of fuels used in Scope 1 and electricity consumed in Scope 2;
- completing Scope 3 are emissions associated with waste disposal from the Teverola power plant (Category 5: emissions associated with waste generated during operations) and employee commuting (Category 7: emissions associated with employee commuting).

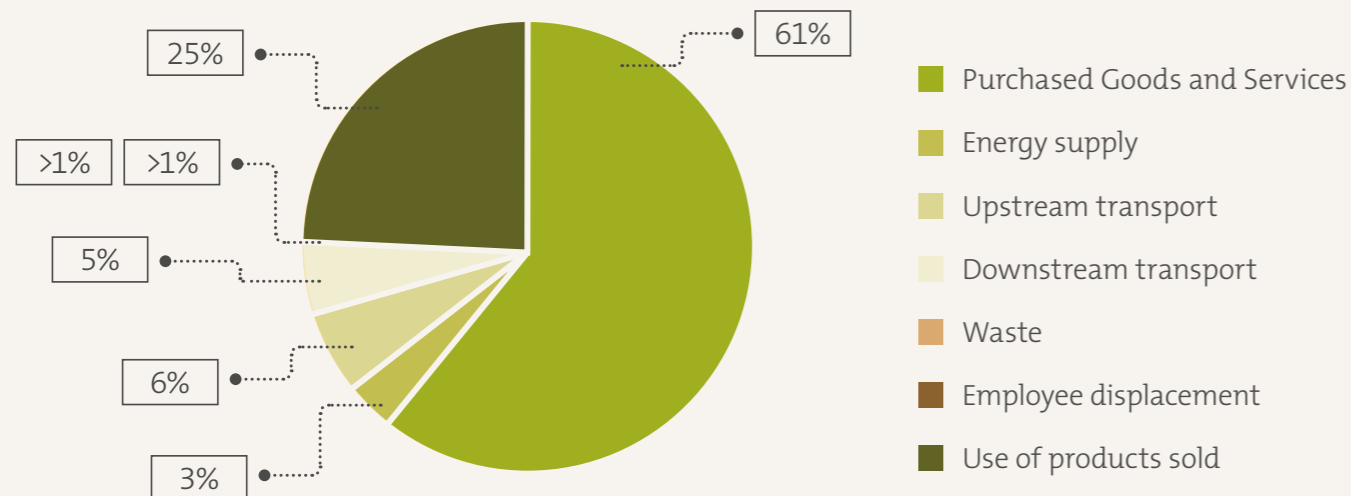
¹ Emission factor sources: National Standard Parameter Table (M.A.S.E.); UK Government GHG Conversion Factors for Company Reporting (D.E.F.R.A.).

² Emission factor sources: Association of Issuing Bodies (A.I.B.).

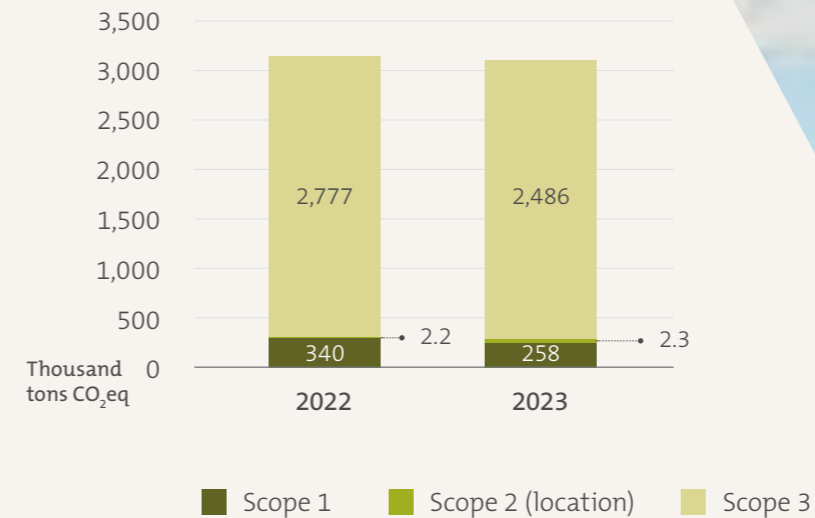
³ Emission factor sources: Ecolnvent 3.9.1; Association of Issuing Bodies (AIB); UK Government GHG Conversion Factors for Company Reporting (D.E.F.R.A.); Repower internal studies.



Scope 3 (2023)



Company emissive inventory



■ In 2023 Repower Italia's emissions stood at 3,105,833 tonnes of CO₂ equivalent, a slight (0.5%) reduction compared to 2022. Of these, around 12% are associated with the Teverola power plant, either directly (combustion of natural gas) or indirectly (production and transport of the natural gas needed for the power plant).

Taken as a whole, **Scope 1 accounts for about 8.3% of the total**. **Scope 2**, i.e. indirect emissions related to the group's power purchase (calculated according to the location-based approach), make up a minor part of the total emissions (about 0.1%).

Scope 3, with **91.6% of total emissions**, can further be broken down into individual contributions as follows:

- More than 60% of **Scope 3 emissions** are related to **purchased goods and services**, such as the production of electricity for resale and the extraction and refining of natural gas sold.
- Only **3% of emissions** come from the **production and transport of fuels and energy used directly by the group**, classified in the category 'Energy Supply.'
- Approximately **11% of Scope 3 emissions** are attributable to **upstream and downstream transport of gas and energy**, including network losses and thermal consumption for the pressurization of methane pipelines.
- **25% of Scope 3 emissions** are attributable to the **use of products sold by the company**, such as the combustion of natural gas distributed by customers.

On the other hand, **employee commuting and the emissions associated with waste generated by the Teverola plant remain well below 1% of total emissions**, yet still represent a point of monitoring interest for the maintenance and development of good management practices.

In absolute terms, emission volumes are in line with Repower's market share in Italy, a country that, as the eighth largest economy on the planet, expresses enormous energy needs.

Consistent with this, **CO₂-equivalent emissions** are normalized to the company's revenue, which is **2.06 kgCO₂/€**. Moreover, Repower's total inventory largely coincides

with the sum of its customers' **Scopes 1 and 2 (plus some items from their Scope 3)**. This creates a clear picture in which the company has the potential to **positively influence the inventories of a considerable proportion of Italian companies**.

In order to read these results in the light of the emission context, it is important to emphasize that companies characterized by an inventory with a predominance of **Scopes 1 and 2** generally carry out energy-intensive production activities, often in the primary or secondary sector of the Italian economy.

On the contrary, an inventory with a high incidence of **Scope 3** is typical for companies skewed toward the service sector, or with low energy-consuming

production activities. For these companies, emissions are predominantly "contained" in the products and services they produce.

Repower's results can therefore be interpreted in the same way. In fact, the company is primarily an energy and natural gas retailer, one with a far greater capacity to move electricity on the market than merely the energy produced at the Teverola plant would suggest.

Proper waste management and water consumption

■ Repower Italia’s focus on its indirect impacts does not stop at its customers’ energy use and emissions. It also encompasses proper resource management in an integrated manner.

Although marginal in terms of emissions, proper waste management remains a central issue in environmental management as a whole.

For the head office with the administrative offices, **waste management** is entrusted to municipal waste collection, while at the Teverola plant, it is managed by private companies.

The amount of waste generated and its fate is mainly influenced by the number and types of maintenance activities carried out, rather than by the

production process itself, with important annual variations in different waste categories such as filter and absorbent materials, oils, oil emulsions, wood and similar.

223 tonnes of waste were generated in 2023, including 171 tonnes of liquid and aqueous waste from the demineralization plants for

disposal. As a measure of comparison and in order to understand how variable the plant’s waste generation is, in **2022 this type of waste stood at 18 tonnes.**

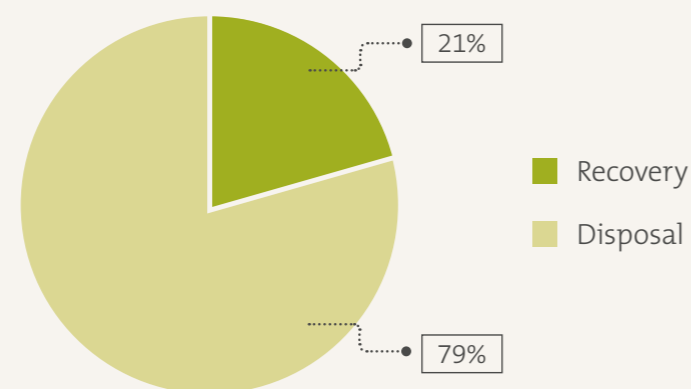
The following graph summarizes the distribution of waste generated:



223 tonnes of waste (2023)

OF WHICH 171 TONNES LIQUID AND AQUEOUS WASTE

Waste overview (2023)



GRI 303



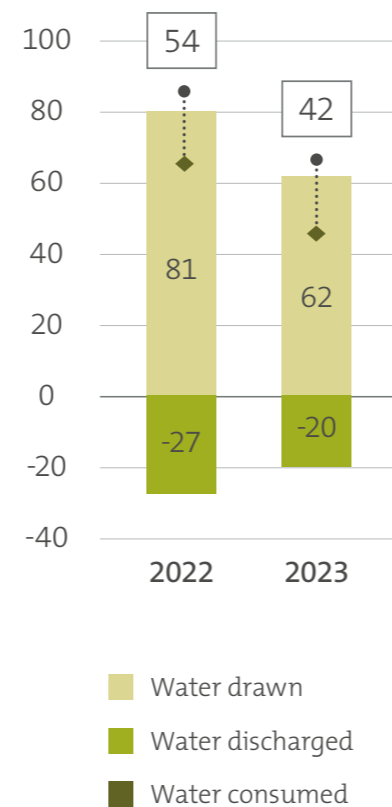
As far as water consumption is concerned the figure, though relatively insignificant, is reported in order to have a complete information panorama and more precisely monitor the resource. Most water consumption is attributable to the Teverola thermoelectric power plant, for which values are reported.

The water, drawn mainly from surface aquifers through a well for industrial use, is primarily used for industrial processes connected to energy production (reintegration of demineralized water for the plant's thermal cycle), and for some auxiliary activities such as drainage and washing, irrigation, sanitary uses and fire-fighting tests. Water consumption is directly related to the plant's activity, which, as seen above, decreased

during 2023. The graph opposite reflects this trend. The share of well water used for the process is completely converted into demineralized water, which feeds the thermal and eluate cycle.

For 2023, about 63.96% was released into the atmosphere as steam during start-up, shutdown and operation, while about 36.04% was discharged into the sewer (blowdown). The eluates produced, on the other hand, have a volume of about 11% of the demineralized water produced. Both water resource and waste management are monitored through specific KPIs within the plant's ISO 14001 environmental management system.

Water balance (ml)



Agrivoltaics: agriculture and energy production go hand-in-hand

Producing energy in a sustainable manner means working in harmony with the land, respecting and enhancing local realities. This is the direction taken by agri-voltaic technology, which combines solar energy productivity with the continuity of agricultural activity.

While today it represents an evolved response to a growing need for sustainable energy production, in 2011, when Repower introduced it at the Castelguglielmo plant, the initiative was considered pioneering. The project was born out of an encounter between a historic farming family from Polesine, who wanted to continue to improve their farming business, and Repower, who was pursuing the same goal in terms of energy production from a clean source like solar power.

This encounter became the genesis of one of Italy's first agri-voltaic projects. The plant covers an area of 34 hectares and uses solar tracking technology. There are 600 photovoltaic sails that, like sunflowers, chase the sun. Each sail houses 36 modules, for a total of 21,600 photovoltaic modules.

With an output of 7.5 MW and an energy production of 15 million kWh, the photovoltaic



Go to the Castelguglielmo agri-voltaic project

sails are elevated from the ground and positioned in a checkered pattern approximately 21 meters apart. This allows most of the agricultural land to be used for cultivation. Soft wheat, durum wheat, sorghum, barley and legumes such as soy, protein peas and rapeseed are produced here.

Agri-voltaic technology promotes the continuity of farming, improving it as well. The Castelguglielmo experience has shown us that sails protect crops from wind and hail, and limit water evaporation, thus reducing water supply. Moreover, the growth of some crops is favored by the shade the sails provide.

This positive, replicable experience not only contributes to the ecological transition by producing clean energy from solar sources, but also promotes and improves local agricultural practices

Ongoing respect for the environment

■ In the process of defining and operating a plant, Repower Italia takes all the measures and conducts all the analyses necessary to minimize its environmental impact on surrounding fauna and flora, in line with regulatory requirements.

The company uses the model defined by the Italian National Geoportal of the Ministry for the Environment and Energy Security in order to achieve precise geographical tracking for its site locations.

The main reference for this analysis was the **Natura Project**, which contains periodically updated geographical databases

created by Italy's Nature Protection Department. The primary protected natural areas can also be consulted in conjunction with cartographic bases (IGMs, orthophotos, etc.) and thematic data (administrative limits, road and rail infrastructures, etc.) available on the aforementioned portal.

Protected areas are divided into National Parks, Marine Protected Areas, Marine Nature Reserves, State Nature Reserves and Regional Parks and Nature Reserves.

Repower can therefore certify that none of its plants are located in areas considered at risk.



ENVIRONMENTAL IMPACT ASSESSMENT

Before construction work begins, Repower Italia conducts a detailed environmental impact assessment of the proposed plant.



SUSTAINABLE PLANNING

Based on the results of the environmental impact assessment, Repower Italy develops a sustainable construction plan that aims to minimize impacts on the surrounding habitat. This includes choosing environmentally-friendly technologies, reducing emissions during construction and minimizing the use of natural resources.



ENVIRONMENTAL MONITORING

During the construction phase and after the plant becomes operational, Repower Italia implements a continuous environmental monitoring program. This monitoring includes the measurement of air emissions and water quality monitoring for Teverola. The remaining plants are covered by the monitoring required by individual permits.



GRI 304



Where necessary, Repower relies on the Integrated Environmental Authorisation (AIA) process, a procedure prescribed by European legislation and governed by Italian legislative decree no. 152 of 2006, as amended.

The AIA is required for plants that may have significant environmental impact, including large-scale photovoltaic and wind power plants. Before granting authorization, detailed

environmental impact assessments are conducted and in-depth studies and analyses are completed.

Similarly, at the regional level, energy plans are often defined indicating suitable areas for the development of renewable energy production facilities or specific regulations at the local or regional level regulating spatial planning and project approval. In particular, for the wind farm located in San Giusto di Lucera, it was necessary to

conduct a more in-depth study in accordance with what was legally required for the site location.

The report, commissioned by SEA and conducted by professionals in the field, summarizes the monitoring conducted on the plant in operation since July 2012, focusing its analysis on interactions between avifauna and the plant's activities, with particular attention paid to the large birds and birds of prey that frequent the surrounding area.

The ten-year monitoring results were reworked to understand the evolution over time, comparing the data collected before, during and after the plant became operational. Monitoring activities focused on birds' migratory and reproductive periods, in particular involving trophic reserves in the area and adjacent areas.

Ecological corridors and breeding sites identified during the environmental impact

study were also monitored. In addition, the situation of bats was assessed by means of inspections and on-the-spot visits, highlighting the beginning of adaptation of some species to the installation and their gradual rapprochement.

In this sense, there is a certain continuity with what was also recorded during an analysis conducted in 2021, when a stable condition was ascertained in the ninth year of monitoring activities with regard to the

biodiversity present onsite. This type of analysis was also conducted for the Rosario, Armo and Venti di Nurra wind farms, for which avifauna monitoring is required for the first three years of operation.



**Consolidated
Financial
Statements**

financial statements
as of 31 Dec. 2023

BALANCE SHEET - ASSETS	DEC. 31, 2023	DEC. 31, 2022
A. RECEIVABLES FROM MEMBERS FOR PAYMENTS STILL DUE		
a) payments not yet called up	-	-
b) payments already called up	-	-
Total receivables from shareholders for payments still due	-	-
B. FIXED ASSETS		
I. Intangible fixed assets:		
1) start-up and expansion costs	1,040	1,560
2) development costs	-	-
3) industrial patent and intellectual property rights	-	-
4) concessions, licences, trademarks and similar rights	8,163,540	8,970,571
5) goodwill	3,558,389	3,848,335
6) assets under construction and advances	4,067,767	2,568,830
7) other	1,670,241	894,399
Total intangible fixed assets	17,460,977	16,283,694
II. Tangible fixed assets:		
1) land and buildings	39,103,969	37,502,968
2) plant and machinery	190,400,655	203,901,567
3) industrial and commercial equipment	-	-
4) other assets	9,556,378	9,314,031
5) fixed assets under construction and advances	15,215,040	8,987,503
Total tangible fixed assets	254,276,042	259,706,069
III. Financial fixed assets:		
1) Participations in:		
a) subsidiary companies	-	-
b) associated companies	23,884,929	6,008,428
c) parent companies	-	-
d) enterprises controlled by parent companies	-	-
d-bis) other companies	1,003,902	823,688
Total equity investments	24,888,831	6,832,116
2) Receivables:		
a) from subsidiary companies:		
due within one year	-	-
due beyond the subsequent year	-	-
b) from associated companies:	4,154,900	3,454,900
due within one year	154,900	154,900
due beyond the subsequent financial year	4,000,000	3,000,000
c) from parent companies:		
due within one year	-	-
due beyond the subsequent financial year	-	-
d) from companies controlled by parent companies:		
due within one year	-	-
due beyond the subsequent financial year	-	-
d-bis) from others	4,078,317	4,212,207
due within one year	187,593	187,593
due beyond the subsequent year	3,890,724	4,024,614
Total long-term receivables	8,233,317	7,667,108
3) other securities	-	-
4) derivative financial instruments receivable	-	-
Total financial fixed assets	33,122,048	14,499,223
TOTAL FIXED ASSETS (B)	304,859,067	290,488,986

BALANCE SHEET - ASSETS	DEC. 31, 2023	DEC. 31, 2022
C. CURRENT ASSETS		
I. Inventories		
1) raw, ancillary and consumable materials	43,395,118	37,683,522
2) work in progress and semi-finished products	-	-
3) contract work in progress	345,021	2,809,764
4) finished products and goods	1,809,033	1,322,943
5) payments on account	-	-
Total inventories	45,549,173	41,816,228
II. Receivables:		
1) from customers:	252,028,716	331,454,550
due within one year	252,028,716	329,954,580
due beyond the next financial year	-	1,499,970
2) from subsidiary companies:	-	-
due within one year	-	-
due beyond the next financial year	-	-
3) from affiliated companies:	-	-
due within one year	-	-
due beyond the next financial year	-	-
4) from parent companies:	-	-
due within one year	-	-
due beyond the next financial year	-	-
5) from companies controlled by parent companies:	51,601	36,600
due within one year	51,601	36,600
due beyond the next financial year	-	-
5b) for tax credits	26,378,076	23,337,699
due within one year	24,578,076	21,537,699
due beyond the next financial year	1,800,000	1,800,000
5t) for deferred tax assets	44,169,706	38,723,921
due within one year	10,774,818	2,726,617
due beyond the next financial year	33,394,888	35,997,304
5q) from others	12,626,117	8,091,481
due within one year	12,597,456	6,860,470
due beyond the next financial year	28,662	1,231,012
Total accounts receivable	335,254,216	401,644,252
III. Financial assets not constituting fixed assets		
1) Investments in subsidiaries	-	-
2) Investments in affiliated companies	-	-
3) Investments in parent companies	-	-
3b) equity investments in subsidiaries controlled by parent companies	-	-
4) other equity investments	-	-
5) derivative financial instruments receivable	17,660,538	46,907,645
6) other securities	-	-
7) financial assets not constituting fixed assets	-	-
Total financial assets not constituting fixed assets	17,660,538	46,907,645
IV. Cash and cash equivalents		
1) bank and post office deposits	31,302,039	52,730,156
2) cheques	-	-
3) cash on hand	3,873	15,206
Total cash and cash equivalents	31,305,912	52,745,361
TOTAL CURRENT ASSETS (C)	429,769,839	543,113,487
D. ACCRUED INCOME AND PREPAID EXPENSES		
a) accruals and deferrals	5,482,526	5,541,501
b) discount on loans	-	-
TOTAL ACCRUED INCOME AND PREPAID EXPENSES (D)	5,482,526	5,541,501
TOTAL ASSETS (A+B+C+D)	740,111,432	839,143,974

BALANCE SHEET - LIABILITIES	DEC. 31, 2023	DEC. 31, 2022
A. EQUITY		
I. Capital	2,000,000	2,000,000
II. Share premium reserve	-	-
III. Revaluation reserves	-	-
IV. Legal reserve	2,100,000	2,100,000
V. Statutory reserves	-	-
VI. Other reserves (indicated separately)	-	-
a) extraordinary reserve	-	-
b) taxed reserve	-	-
c) condonation reserve	-	-
d) shareholders' capital contributions	58,828,667	56,828,667
e) reserve for accelerated depreciation	-	-
f) merger reserve	74,045,227	74,723,936
g) shareholders' payments on account of future capital increase	-	-
VII. Reserve for cash flow hedging transactions	-	-
VIII. Retained earnings (losses)	(16,527,863)	49,618,412
IX. Profit (loss) for the year	(8,558,503)	(29,329,424)
X. Reserve for hedging derivatives	3,902,705	6,607,525
Minority interest in shareholders' equity	65,653,780	59,831,424
Shareholders' equity attributable to the group	113,790,232	162,553,115
Total shareholders' equity	179,444,012	222,384,539
B. PROVISIONS FOR RISKS AND CHARGES		
1) For pensions and similar obligations	3,198,940	2,840,554
2) For taxes	6,350,649	7,480,709
3) Derivative financial instruments payable	15,941,789	64,253,589
4) Other	9,933,539	10,574,235
Total provisions for risks and charges	35,424,917	85,149,087
C. SEVERANCE PAY	5,137,777	4,718,205

BALANCE SHEET - LIABILITIES	DEC. 31, 2023	DEC. 31, 2022
D. DEBTS		
1) Bonds:	-	-
<i>due within one year</i>	-	-
<i>due beyond the next financial year</i>	-	-
2) Convertible debentures:	-	-
<i>due within one year</i>	-	-
<i>due beyond the next financial year</i>	-	-
3) Payables to shareholders for loans:	14,956,510	33,779,494
<i>due within one year</i>	4,769,183	20,271,992
<i>due beyond the next financial year</i>	10,187,327	13,507,502
4) Payables to banks:	145,077,846	136,421,902
<i>due within one year</i>	51,335,786	38,387,802
<i>due beyond the next financial year</i>	93,742,061	98,034,100
5) Payables to other financiers:	4,718,248	5,412,196
<i>due within one year</i>	696,771	696,767
<i>due beyond the next financial year</i>	4,021,478	4,715,429
6) Payments on account:	-	2,000,000
<i>due within one year</i>	-	2,000,000
<i>due beyond the next financial year</i>	-	-
7) Accounts payable to suppliers:	241,645,745	183,535,056
<i>due within one year</i>	240,965,823	182,755,394
<i>due beyond the next financial year</i>	679,922	779,662
8) Payables represented by credit instruments:	-	-
<i>due within one year</i>	-	-
<i>due beyond the next financial year</i>	-	-
9) Payables to subsidiary companies:	-	-
<i>due within one year</i>	-	-
<i>due beyond the next financial year</i>	-	-
10) Payables to affiliated companies:	-	-
<i>due within one year</i>	-	-
<i>due beyond the next financial year</i>	-	-
11) Payables to parent companies:	70,453,471	103,610,724
<i>due within one year</i>	70,453,471	103,610,724
<i>due beyond the next financial year</i>	-	-
11b) Payables to companies controlled by parent companies due within one year:	98,783	324,957
<i>due within one year</i>	98,783	324,957
<i>due beyond the next financial year</i>	-	-
12) Taxes payable:	3,758,249	10,398,834
<i>due within one year</i>	3,758,249	10,008,834
<i>due beyond the next financial year</i>	-	390,000
13) Payables to social security institutions:	1,324,259	1,282,038
<i>due within one year</i>	1,324,259	1,282,038
<i>due beyond the next financial year</i>	-	-
14) Other payables:	37,193,136	49,326,524
<i>due within one year</i>	37,193,136	49,326,524
<i>due beyond the next financial year</i>	-	-
Total payables (D)	519,226,247	526,091,724
E. ACCRUALS AND DEFERRALS		
<i>accruals and deferrals</i>	878,479	800,418
<i>prepaid expenses</i>	-	-
Total accruals and deferrals (E)	878,479	800,418
TOTAL LIABILITIES	740,111,432	839,143,974

PROFIT AND LOSS ACCOUNT	DEC. 31, 2023	DEC. 31, 2022
A. VALUE OF PRODUCTION		
1) revenue from sales and services	2,930,501,842	6,508,056,882
3) change in contract work in progress	(2,464,743)	0
4) increases in fixed assets for internal work	0	190,260
5) other revenues and income:	24,926,340	25,812,136
5.1) other revenues and income	13,577,910	10,503,335
5.2) operating grants	11,348,430	15,308,801
Total value of production	2,952,963,440	6,534,059,278
B. COSTS OF PRODUCTION		
6) for raw materials, consumables and goods	2,535,188,106	6,279,411,987
7) for services	359,305,577	186,593,470
8) for use of third-party assets	2,596,470	2,759,577
9) for personnel:	19,223,955	17,051,386
a) wages and salaries	13,749,219	12,011,944
b) social security contributions	4,327,384	3,648,914
c) severance pay	621,604	850,665
d) pensions and similar obligations	344,155	328,598
e) other costs	181,593	211,264
10) amortization, depreciation and write-downs:	31,071,087	38,210,618
a) amortization of intangible fixed assets	4,818,674	4,156,354
b) depreciation of tangible fixed assets	20,251,493	19,764,935
c) other write-downs of fixed assets	2,944,941	-
d) bad debt provision	3,055,979	14,289,329
11) Variation of raw material inventory	(23,083,023)	(3,801,541)
12) provision for risks	453,404	50,521
13) other provisions	161,801	143,549
14) other operating expenses	10,364,561	5,952,868
Total cost of production	2,935,281,937	6,526,372,436
Difference between value and cost of production (A-B)	17,681,502	7,686,842

PROFIT AND LOSS ACCOUNT	DEC. 31, 2023	DEC. 31, 2022
C. FINANCIAL INCOME AND EXPENSES		
15) Income from equity investments	-	-
16) Other financial income	2,887,651	516,356
a) from receivables included in fixed assets	111,808	76,144
a.2) from affiliated companies	111,808	76,144
a.5) from other companies	-	-
d) income other than the above	2,775,843	440,212
d.1) from subsidiaries	-	-
d.3) from parent companies	-	-
d.5) from others	2,775,843	440,212
17) Interest and other financial expenses	18,188,010	10,226,897
17.3) from parent companies	1,449,008	2,077,613
17.4) from others	16,739,002	8,149,285
17-bis) Exchange gains and loans	(370)	(1,622)
Total financial income and expenses (15+16-17)	(15,300,729)	(9,712,164)
D. VALUE ADJUSTMENTS ON FINANCIAL ASSETS		
18) Revaluations	44,301,248	54,605,681
d) of derivative financial instruments	44,301,248	54,605,681
19) Write-downs	54,159,364	86,227,249
a) of equity investments	-	-
b) of financial fixed assets other than equity investments	-	-
d) of derivative financial instruments	54,159,364	86,227,249
Total value adjustments (18-19)	(9,858,116)	(31,621,568)
Profit before taxes (A-B+-C+-D)	(7,477,343)	(33,646,890)
20) Income tax for the year	(4,820,951)	(6,922,778)
Current taxes	1,956,460	6,345,672
Taxes relating to previous years	29,419	(576,553)
Deferred taxes	(13,883)	(614,515)
Prepaid taxes	(5,705,851)	(9,356,366)
Income (expenses) from joining the tax consolidation scheme	(1,087,095)	(2,721,016)
21) Result for the year	(2,656,391)	(26,724,112)
21) Result for the year attributable to minority interests	5,902,112	2,601,311
21) Result for the year pertaining to the group	(8,558,503)	(29,325,424)

CASH FLOW STATEMENT		DEC. 31, 2023	DEC. 31, 2022
A) CASH FLOWS FROM OPERATIONS			
Profit (loss) for the year		(2,656,391)	(26,724,112)
Income Taxes		4,820,951	(6,922,778)
Interest expense / (Interest income)		15,300,729	9,712,164
1.	Profit / (Loss) for the year before income taxes, interest, dividends and capital gains/losses on disposals	7,823,387	(23,934,726)
	Accruals to provision for severance indemnities	621,604	850,665
	Depreciation of fixed assets	25,070,167	23,921,289
	(Revaluations) / Write-downs of assets	2,944,941	-
	Allocations to provision for risks	615,206	194,070
	Provision for bad debts from customers	3,055,979	14,289,329
	Capital gain Ciminna	(15,120,000)	-
	Value adjustment of financial assets/liabilities of derivative financial instruments not involving monetary movements	(19,064,693)	6,280,453
	Other adjustments for non-monetary items	-	-
2.	Cash flow before changes in NWC	5,946,590	21,601,080
	Decrease/(increase) in inventories	(3,732,944)	(8,564,201)
	Decrease/(increase) in receivables from customers	76,369,855	(24,586,845)
	Decrease/(increase) in trade payables	58,110,689	(110,555,184)
	Decrease/(increase) in accrued income and prepayments	58,975	(1,403,256)
	Decrease/(increase) in accrued expenses and deferred income	78,060	56,497
	Decrease/(increase) in receivables from group companies	(15,001)	(18,300)
	Increase/(decrease) in receivables from group companies	(33,383,426)	95,145,343
	Other changes in net working capital	(26,263,757)	16,133,415
3.	Cash flow after changes in NWC	77,169,041	(12,304,444)
	Interest received/(paid)	(15,300,729)	(9,712,164)
	(Income taxes paid)	(2,899,357)	(16,959,771)
	Dividends received	-	-
	(Utilization of provision for risks)	(1,255,901)	(2,588,334)
	(Utilization of provision for severance indemnities)	156,354	(71,486)
4.	Cash flow after other adjustments	57,869,408	(41,636,199)
CASH FLOW FROM OPERATING ACTIVITIES (A)			
	Tangible fixed assets (investments)	(21,531,833)	(19,669,265)
	Intangible fixed assets (investments)	(4,647,042)	(5,765,814)
	Financial assets (investments)	(4,768,996)	(4,846,125)
CASH FLOW FROM INVESTING ACTIVITIES (B)			
	Third-party assets	-	-
	Increase (decrease) due to banks	7,961,997	3,292,656
	Change in loans to shareholders	(18,822,984)	9,801,309
	Change in intercompany loans receivable	-	-
	Equity	-	-
	Capital increase against payment	-	-
	Capital contributions	-	-
	Disposal (purchase) of treasury shares	-	-
	Dividends (and interim dividends) paid	(37,500,000)	-
CASH FLOW FROM FINANCING ACTIVITIES (C)			
	Increase (decrease) in cash and cash equivalents (A±B±C)	(21,439,449)	(58,823,437)
	Cash and cash equivalents as of 1 January	52,745,361	111,568,798
	Cash and cash equivalents as of 31 December	31,305,912	52,745,361



Explanatory Notes

Principles of Drafting

The Consolidated Financial Statements for the year ending 31 December 2023 have been prepared in accordance with accounting principles drawn up by the Organismo Italiano di Contabilità (Italian Accounting Agency), and in compliance with article 29 of Italian legislative decree No. 127 of 1991. The consolidated financial statements as of 31 December 2023 comprise the **management report, the balance sheet, the income statement, the cash flow statement and these notes**. The consolidated financial statements of the Repower Italia Group are **presented in euros**; the euro is also the functional currency of the economies in which the Group operates. The balance sheet, income statement and cash flow statement have been prepared in accordance with the layouts provided

for by the Italian Civil Code, while the classification and valuation of the items contained therein have been based on the provisions of the law interpreted and supplemented by the accounting principles of the Italian Chartered Accountants as amended by the Italian Accounting Agency in relation to the reform of corporate law, as well as according to criteria issued by the Italian Accounting Agency and, where necessary, by accounting principles recommended by the International Accounting Standards Board (IASB). The purpose of these notes is to **illustrate, analyse and, in certain cases, supplement the data in the financial statements** and contain the information required by article 2427 of the Italian Civil Code, which are in line with regulatory

changes introduced by Italian legislative decree 139/15, and with accounting standards issued by the Italian Accounting Agency. The letters and numbers indicated in the body of the notes to the financial statements refer to the corresponding items in the balance sheet format provided for by articles 2424 and 2425 of the Italian Civil Code. The items that have been reclassified involved reclassification of the corresponding items in the financial statements of the previous year. For details of the reclassifications made, please refer to the specific sections of these notes. These financial statements are **audited by Ernst & Young S.p.A.** in accordance with the assignment granted by resolution of the shareholders' meeting of 30 April 2021.

Consolidation Area and Methods

The consolidated financial statements for the year ending 31 December 2023 **include the financial statements of parent company Repower Italia S.p.A. and the financial statements of Italian subsidiaries** in which Repower Italia S.p.A. holds a majority of the voting rights exercisable at the ordinary shareholders' meeting. The financial statements of the companies included in the scope of consolidation, a list of which is provided in these

notes, are consolidated on a line-by-line basis. There are no cases of companies consolidated with the proportional method. Associated companies, which are excluded from the scope of consolidation, are **valued using the equity method**, whereby the balance sheet value of equity investments is adjusted to essentially take into account the share of the investee company's earnings accrued during the financial year and dividends distributed by the

investee company. The financial statements of individual companies, already approved by their respective shareholders' meetings or boards of directors, reclassified and adjusted to conform to the accounting principles and presentation criteria adopted by the Group, were used for consolidation. In relation to the provisions of article 38(2)(a) to (d) of Italian legislative decree No. 127/1991, the following lists are presented below:



**SUPPLEMENTARY
NOTE**

Fully Consolidated Companies

DETAIL IN EURO (THOUSANDS)	REGISTERED OFFICE	DIRECT PARTICIPATION FEE	SHARE CAPITAL	SHAREHOLDERS' EQUITY OF INVESTEE ¹
Repower Vendita Italia S.p.A.	Milan	100	4,000	40,447
SET S.p.A.	Milan	61	120	83,727
Energia Sud S.r.l.	Milan	100	1,500	2,613
REV S.r.l.	Milan	100	10	1,015
Resol1 S.r.l.	Milan	100	10	6,685
Repower Renewable S.p.A.	Milan	65	71,936	120,113
Buseto Wind Farm S.p.A.	Erice (TP)	100	500	7,562
Pian dei Corsi Wind Power Plant S.r.l.	Venice	100	200	481
ESE Salento S.r.l.	Venice	100	10	967
Ese Terlizzi S.r.l.	Venice	100	20	1,323
Cramet Energie S.r.l.	Venice	100	20	1,056
Era Scarl	Venice	100	120	332
Ese Apricena S.r.l.	Venice	100	30	1,795
Ese Cerignola S.r.l.	Venice	100	100	742
Ese Armo S.r.l.	Venice	100	30	2,825
Ese Nurra S.r.l.	Venice	67	200	944
Quinta Energia S.r.l.	Erice (TP)	100	50	489
Res S.r.l.	Venice	100	150	210
Compagnia Energie Rinnovabili S.r.l.	Venice	100	100	4,871
Elettrosud Rinnovabili S.r.l.	Venice	100	30	429
SEA S.r.l.	Milan	100	200	11,902
REC S.r.l.	Milan	100	50	1,753
Solis srl	Venice	100	150	6,022
Repower wind offshore S.r.l.	Venice	100	30	135
Resol Ghislarengo S.r.l.	Venice	100	200	5,368
Roma Gas and Power S.r.l.	Rome	100	100	(549)
REF S.r.l.	Milan	100	10	75
Rebel S.r.l.	Milan	100	10	(21)
Total			79,725	303,312

¹ 31 December 2023

Companies consolidated using the equity method

DETAIL IN EURO (THOUSANDS)	REGISTERED OFFICE	DIRECT PARTICIPATION FEE	SHARE CAPITAL	SHAREHOLDERS' EQUITY OF THE INVESTEE COMPANY
Terra di Conte S.r.l.	Foggia (Italy)	50	10	508
Resol Ciminna S.r.l.	Venice	50	200	28,025
Elettrostudio Energia S.r.l.	Venice	20	206	1,947
ERRECI	Busto Arsizio (Italy)	27.78	120	3,050
ERRECI Installations	Busto Arsizio (Italy)	29.52	30	5,625
Total			566	39,154





Principles of Consolidation

The **scope of consolidation** includes, in addition to the parent company Repower Italia S.p.A., the **companies in which it directly and indirectly exercises control**.

Companies that are not considered relevant according to paragraph 39 of OIC 17, even though they have direct or indirect control, are not fully consolidated.

Subsidiaries are consolidated from the date on which control is effectively acquired by the Group, and cease to be fully consolidated from the date on which control is transferred to companies outside the Group. The financial statements of subsidiaries consolidated by the Repower Italia S.p.A.

Group are prepared using the same accounting policies as the parent company for each accounting period.

All intercompany relations and transactions, including any unrealized profits from relations between Group companies, are fully eliminated.

In the preparation of the consolidated financial statements, the assets, liabilities, as well as expenses and revenues of the consolidated companies are taken on a line-by-line basis in their entirety, with the minority shareholders being allocated their share of the net assets and profit for the year in appropriate items of the balance sheet and income statement.

The **book value** of investments in consolidated companies is eliminated against the corresponding fraction of shareholders' equity.

Differences resulting from the elimination, whether positive or negative, are treated in accordance with OIC 17. **Minority interests** in shareholders' equity are shown in the balance sheet under the appropriate item.

Minority interests in earnings are shown separately in the income statement.

Evaluation Criteria

The **accounting policies** used to prepare the consolidated financial statements for the year ended 31 December 2023 are those used in the financial statements of the parent company Repower Italia S.p.A.. The criteria used do not

differ from those used in the preparation of the consolidated financial statements for the previous year, in particular in **the valuations and continuity of the same principles**, and no exceptional events occurred that made it necessary to resort to

departures under articles 2423-bis (2) and 2423 (4) of the Italian Civil Code.

In preparing the consolidated financial statements, the following was also taken into account:

- **valuing individual items** according to prudence and in anticipation of a normal business continuity, as well as taking into account the so-called economic function of assets and liabilities (better known as the principle of 'substance over form'), in order to provide a **true and fair view** of the company's assets and liabilities, financial position and results of operations;
- **include only those profits actually realized** during the financial year;
- **determine income and expenses** on an accrual basis, and regardless of their financial manifestation;
- **include all accrued risks and losses**, even if they become known after the end of the financial year;
- **consider separately**, for the purposes of the relevant valuation, the **heterogeneous elements** included in the various items of the financial statements.

In particular, the evaluation criteria adopted were as follows.

Intangible Fixed Assets

Intangible fixed assets are recorded at purchase or production cost including ancillary charges, revalued where appropriate in accordance with the law, net of depreciation and write-downs. They are depreciated in accordance with the group criteria on the side.

Improvements to third-party leased property are depreciated at rates dependent on the duration of the relevant contract.

If, regardless of the depreciation already accounted for, an impairment loss results, the fixed asset is written down accordingly. If, in subsequent years, the reasons for the write-down no longer apply, the

INTANGIBLE FIXED ASSETS	PERIOD
Formation expenses	5 years
Proprietary software	3 years
Licensed software	3 years
Trademarks	18 years
Start-up functional facilities	
Software made in-house	3 years
Deferred charges	5 years
Website	3 years

original value, adjusted only for depreciation, is reinstated. The amortization criterion for intangible fixed assets has been applied systematically and in each financial year, in relation to the residual possibility of

economic use of each individual asset or expense. It should be noted that it was not necessary to make write-downs pursuant to the Italian Civil Code.

Start-up

The higher value concerning the purchase price of subsidiaries with respect to the corresponding fraction of shareholders' equity, if not attributable to assets and liabilities based on their current values, was recorded under the item 'Goodwill,' which was already finalized as 'Consolidation difference' in previous years.

The negative consolidation difference is recorded in a shareholders' equity item called 'Consolidation reserve' because it is considered that the excess of the acquired assets over the acquisition cost is due to the

completion of a 'good deal' and not to the expectation of future losses, as required by accounting standard OIC 17. The recognition of goodwill as an asset is linked to the potential profitability of the investees, justified by a prudent and objective assessment of their ability to generate future income.

The company assesses at each balance sheet date whether there is an indicator that goodwill may be impaired. If such an indicator exists, the company estimates the recoverable amount of goodwill and only makes an impairment loss if the latter is less than the

corresponding net book value. In the absence of indicators of potential impairment, the recoverable amount is not determined.

Should the useful life of goodwill be reduced as a result of new circumstances or events, the amount still to be amortized is allocated over the shorter remaining useful life. Goodwill relates to the renewable energy companies held by Repower Renewable S.p.A.

Materials

Assets belonging to the category of tangible fixed assets are entered in the balance sheet at their purchase cost, increased by any ancillary charges incurred until the asset enters into use.

Depreciation is calculated with reference to cost at constant rates based on the estimated useful life of the assets. In the first year of operation, the rate is reduced and related to the period of actual participation in the production process.

Assets under construction include the development costs of projects under construction and the related amortization process begins when the project is available for economic use.

Extraordinary maintenance costs incurred for the modernization and transformation of plants, which result in an increase in useful life or an increase in production

capacity, are allocated to the asset to which they refer and depreciated over their residual useful life. Ordinary maintenance costs are charged directly to the profit and loss account of the year in which they are incurred.

Systematic depreciation is performed according to the following group principles: the

value of capital assets is directly adjusted by the corresponding depreciation funds; depreciation rates are such as to reflect the technical-economic life and residual possibility of use of the assets in the business, a criterion that has been deemed well represented by the following coefficients:

ITEMS OF TANGIBLE FIXED ASSETS	RATE
Renewable plants	4%-5%
Auxiliary installations	5%-6.67%
Equipment	10%-15%
Vehicles	25%
Telephone systems	20%
Furniture and furnishings	12%
Electronic machines	20%
Movable walls	15%

As regards production plants from renewable and conventional sources (see details in the Report on Operations), the useful life was calculated using the component approach for each individual item. Please refer to the Notes to the Consolidated Financial Statements of the Consolidated Companies for more details on the depreciation schedule for each fixed asset item.

According to established practice, assets with a value

of less than EUR 516, relating to industrial, commercial or other equipment that is frequently used and constantly renewed, are fully expensed in the financial year, given their insignificance in relation to the assets on the balance sheet, unless there is a significant change in their size, value and composition.

Ordinary maintenance and repair costs are charged directly to the profit and loss account, while maintenance

or improvement costs of an incremental nature, if incurred, are charged to assets and depreciated over their residual useful life.

If, regardless of the depreciation already accounted for, an impairment loss results, the fixed asset is written down accordingly. If, in subsequent years, the reasons for the write-down no longer apply, the original value, adjusted only for depreciation, is reinstated.



Financial

Investments in 'associated companies' not included in the scope of consolidation, recorded as financial fixed assets, represent a **long-term investment** by the company and are valued using the equity method as provided for in article 36 of Italian legislative decree 127/1991.

It should be noted that the equity method consists of indicating, in the investor's financial statements, the equity investments at a value that takes into account changes in the shareholders' equity resulting from the last financial statements of the companies

themselves, after deducting dividends and making the necessary adjustments required by the principles for preparing consolidated financial statements.

Investments in 'other companies' are recorded at historical cost and no write-downs for impairment losses are necessary.

Receivables' included under financial fixed assets are valued at their estimated realizable value and taking into account, in accordance with the principle of prudence, any losses.

'**Other securities**' held are recorded as fixed assets, as they represent a long-term, strategic investment and are intended to remain in the company's portfolio until their natural maturity.

Pursuant to article 2426, paragraph 1, no. 1 of the Italian Civil Code, securities are valued, with specific identification for each security held, at the lower of purchase or subscription cost and the corresponding market value securities are written down if there is a lasting loss of value.

Leased Assets

Fixed assets held under finance leases, through which all risks and rewards of ownership are substantially transferred to the lessee, are accounted for using the 'financial' method, recommended by OIC 17 as it better reflects the economic and equity substance of the transactions, recognizing the

historical cost incurred by the lessor as a fixed asset, increased by accessory charges not included in the finance contract, and depreciated over the useful life of the asset according to the rates indicated in the previous point. The corresponding liability to the lessor, equal to the net present value of the

payments due under the leasing contract including the value to be paid for exercising the option right, is recorded under financial payables.

Public plant grants

Public grants for plant and equipment were recognized, in accordance with OIC 16 para. 80, as they were definitively acquired, by applying the

indirect method and therefore recognized in the income statement item 'A5 other revenues and income' and deferred on an accrual basis to

subsequent years, through the recognition of the grant in a specific item of deferred income.

Inventories

Inventories of 'raw, ancillary and consumable materials' are valued at the lower of purchase cost and estimated realizable value based on market trends.

The purchase cost is determined using the weighted average cost method and consists mainly of:

- CO₂ emission quotas.
- gas storage
- spare parts for the Teverola (CE) thermal power plant, constituting the minimum operating stock, costing less than €5,000 per unit
- Repower Charging Poles and Smart Metering Systems

It should be noted that the accounting of CO₂ emission allowances took into account OIC 8 requirements.

Credits

Receivables are valued in the balance sheet at amortized cost, taking into account the time factor, and within the limits of their estimated realizable value, and, therefore, are stated in the balance sheet net of the related allowance for doubtful accounts considered adequate to cover reasonably foreseeable bad debts.

The allowance for doubtful accounts reflects the estimated losses associated with the corporate receivables portfolio of group companies.

Provisions have been made for expected credit losses, estimated on the basis of past experience with similar credit risk.

The Group availed itself of the waiver not to apply the amortized cost criterion as the effects are not material.

Net assets

Net assets represents the difference between asset and liability items, determined according to the present valuation criteria; it includes contributions made by shareholders upon incorporation and capital increases, reserves of any kind, and retained earnings.

Accruals and deferrals

These are determined on an accrual basis and refer to portions of income components common to several years that vary over time.

Cash and cash equivalents

Cash and cash equivalents are stated at their nominal value, while cash and cash equivalents are stated at their estimated realisable value.

Provisions for risks and charges

Provisions are recognized to cover risks and charges of a given nature and whose existence is certain or probable, but whose amount or date of occurrence could not be determined at the end of the reporting period. Provisions are recognized when there is

a present obligation (legal or constructive) arising from a past event, when an outflow of resources to settle the obligation is probable and a reliable estimate can be made of the amount of the obligation. In the valuation of these provisions, the general criteria of

prudence and accrual have been respected, taking into account all the elements available at the date of preparation of the financial statements.

Severance pay

Severance pay (in Italy, the 'TFR') represents the actual debt accrued to employees in accordance with the law and applicable employment contracts, taking into account all remuneration of an ongoing nature.

The provision corresponds to the total of the individual indemnities accrued in favor of employees at the balance sheet date, net of any advances paid, and is equal to the amount that would have been payable to employees if they had terminated their

employment on that date. In determining the TFR, the effect of law no. 296 of 27 December 2006 and the relative implementing decrees, which introduced significant changes in TFR regulations, including the possibility for employees to choose the destination of TFR accruing from 1 January 2007 to private pension funds, has not been considered, since the individual group companies considered individually as of 31 December 2006 had less than fifty employees and, as reported in INPS message

no. 3506, "for the purpose of identifying the existence of the obligation to pay, it is reiterated that the average determined remains crystallized, with no relevance for the fluctuations that - subsequently - may occur, both in the event of a reduction in the number of employees to less than 50, and in the event of reaching - on a date subsequent to 31 December 2006, or to the date of commencement of business - a number of employees equal to or greater than 50."

Debts

The Group has availed itself of a waiver to apply the amortized cost criterion as the effects are not material. An exception to the above is the non-interest-bearing debt SET S.p.A. owes

the Municipality of Teverola, following stipulation of an agreement with the same, as well as the amount indicated in the paragraph "Bank borrowings" in line with the

method used by the Group's companies in accounting for loans and project financing contracts stipulated by them.

Derivative

Derivative financial instruments are activated for the sole purpose of hedging the underlying interest rate, exchange rate, price or credit risks.

Derivative financial instruments are initially recognized in the accounting system when group companies enter into the relevant contracts, and are therefore subject to the corresponding rights and obligations.

Derivative financial instruments, even if embedded in other derivative financial instruments, are recognized at fair value both at initial recognition and at each balance sheet date.

A derivative financial instrument hedging the cash flow or the fair value of an asset

follows the classification of the hedged asset in current assets or fixed assets; a derivative financial instrument hedging the cash flow or the fair value of a liability, firm commitment or highly probable planned transaction is classified in current assets, as is a non-hedging derivative financial instrument. In the event of a negative fair value, these instruments are recognized as liabilities under provisions.

Item D) 18) d) includes positive changes in the fair value of non-hedging derivative financial instruments and gains arising from the ineffective component of the hedge in the context of a cash flow hedge.

Item D) 19) d) includes negative changes in the fair value of

non-hedging derivative financial instruments and losses arising from the ineffective component of the hedge in the context of a cash flow hedge.

The utilization of item A) VII "Reserve for expected cash flow hedges" is recognized as an adjustment or addition to the income statement items impacted by the hedged cash flows in the same year(s) in which they affect the result for the year, or as an adjustment or addition to the non-financial asset or liability arising from a planned transaction or firm commitment.



Recognition of costs and revenues

Revenues and income, expenses and charges are charged to the profit and loss account on an accrual basis, with recognition of the relevant accruals, and in accordance with the principle of prudence.

In particular:

- **Revenues from the supply of electricity and gas, which are earned by the subsidiary Repower Vendita Italia S.p.A., are recognized on the basis of consumption received from distributors;** they also include an estimate of the value of electricity and gas consumption from the date of the last reading to the end of the reporting period.

Revenues between the date of last reading and the end of the financial year are based on estimates of the customer's annual consumption, based on the customer's historical profile, adjusted to reflect factors that may affect the estimated consumption.

These revenues are based, where applicable, on the tariffs and related tariff constraints set forth by law and by the Italian Electricity and Gas Authority and similar foreign bodies, in force during the year;

- **Repower Vendita Italia S.p.A., in determining sales revenue, is subject to adjustments in respect of the first reading by distributors (mainly Enel Distribuzione).**

These adjustments may, on occasion, be received in periods subsequent to the date of preparation of the financial statements. Due to the characteristics of the type of customer (high number of customers and low average consumption), the determination of adjustments cannot be estimated in a timely manner;

- **The company is also subject to imbalance adjustments (both hourly customer imbalances and load profiles) by Terna.**

It should be noted that Terna's imbalances can also be generated by potential distributor imbalances, as described in the previous paragraph. In fact, metering adjustments on the sold energy side received in periods subsequent

to the first reading will generate differences in the energy purchased on the market to square the energy balance. However, based on the best information available at the date of preparation of the financial statements, the best estimate was made with regard to invoices to be received from Terna;

- **Revenue from services is recognized at the conclusion of the service;**
- **Revenues for electricity and gas are recognized when there is an actual transfer of ownership and the relative transfer of related risks and benefits, which coincides with the delivery/supply of the commodities.**

Revenues from electricity and gas are valued at contractual prices taking into account, where applicable, the tariffs and criteria provided for by law and the resolutions of the Italian Authority for Electricity and Gas;

- **Revenues from grants on plants fuelled by renewable energy sources for Repower Renewables (feed in tariff) are recognized on an accrual basis at the time when the companies' right to receive the relevant amount arises.**

This moment coincides with generation of the underlying electricity production. The energy subject to the incentive is measured every quarter of an hour by the distributors;

- **Income of a financial nature on an accrual basis.**

Income Taxes

CURRENT TAXES

Current taxes are determined on the basis of tax liabilities to be paid in application of current tax legislation and are shown net of payments on account and withholding taxes in the item payables, if a net payable results, or in the item receivables, if a net receivable results.

As provided for in Italian legislative decree 344/2003, the Group companies have opted for the national consolidated tax regime, for which the parent Repower Italia S.p.A. has renewed its option for the three-year period 2023/2025 in accordance with articles 117 et seq. of the T.U.I.R., which allow IRES (Italian business taxes) to be determined on a taxable base

The economic relations, as well as mutual responsibilities and obligations, between the Group companies participating in the consolidation are defined in the 'Rules of the National Consolidation' based on the criterion of neutrality of tax advantages and charges.

The Rules, in brief, stipulate the following:

The Italian regional tax on productive activities (IRAP) is determined on the basis of the tax charges to be paid in

corresponding to the algebraic sum of the positive and negative taxable income of the individual

PARTICIPATING COMPANIES

1. Repower Italia S.p.A.	Consolidator
2. Repower Vendita Italia S.p.A.	Consolidated
3. Resol1 S.r.l.	Consolidated
4. SET S.p.A.	Consolidated
5. SEA S.r.l.	Consolidated
6. REC S.r.l.	Consolidated
7. Energia Sud S.r.l.	Consolidated
8. REV S.r.l.	Consolidated
9. REF S.r.l.	Consolidated
10. REBEL S.r.l.	Consolidated

1. **Subsidiaries with positive taxable income** recognize to the consolidating company 'tax adjustments' equal to the sum of the relevant taxes due on the transferred income net of the tax credits transferred to the consolidating company;
2. **subsidiaries with negative taxable income** receive compensation from the consolidating company equal to the tax savings realized;
3. **companies with excess non-deductible interest expenses** under article 96 of the T.U.I.R. receive compensation from the consolidating company equal to the tax savings realized by the group.

application of current legislation, and is shown net of payments on account in the item tax payables (D.12), if a net payable results,

companies participating in the consolidation. **The latter are:**

and in the item tax receivables (C.II.4 bis), if a net receivable results.

DEFERRED TAX ASSETS AND LIABILITIES

Deferred and prepaid taxes are calculated on the basis of the expected rates for the years in which the differences will reverse and are recognized in the financial statements in accordance with the accounting

standard developed by OIC No. 25. The value of deferred tax assets and liabilities is calculated on the temporary differences between the values of assets and liabilities according to statutory criteria

and the corresponding values recognized for tax purposes. In particular, deferred tax assets, in accordance with the principle of prudence, are only recognized if there is reasonable certainty of their future recovery.



Criteria for converting values expressed in foreign currencies

Assets and liabilities, which do not constitute fixed assets as well as fixed financial receivables, are recorded at the spot exchange rate at the end of the financial year. Gains and losses resulting from the translation of receivables and payables are respectively

credited and debited to the profit and loss account under item C) 17- bis foreign exchange gains and losses. Any net profit resulting from the adjustment of foreign currency items to year-end exchange rates contributes to the formation of the result for the year and,

upon approval of the financial statements and consequent allocation of the result, is recorded, for the portion not absorbed by any loss for the year, in a non-distributable reserve until the subsequent realization.

Other information

Summary of public disbursements pursuant to ART.1, COMMITMENTS 125-129, LAW NO. 124/2017.

Law 124 of 4 August 2017 (the so-called annual market and competition law) introduced new disclosure requirements regarding the transparency of public disbursements, received and granted.

It should be noted that the following have not been taken into account: contracts providing for a consideration for supplies and services rendered ordinary tax relief measures - enjoyed for IRES and IRAP purposes - aimed at the generality of companies.

Below is a list of the companies that have received incentive mechanisms for plants powered by renewable sources. It should be noted that for the 2023 financial year, the Gestore dei Servizi Energetici - GSE S.p.A. (Italian Energy Services Authority) did not recognize any consideration to the companies

receiving the GRIN incentive as a result of the particularly high energy price in 2022, which, based on the calculation mechanism, resulted in a zero consideration.

Below are the details of contributions received during the year:

SEA S.r.l. collected operating grants from GSE, gross of the 4% withholding tax, in the amount of € 315,000, paid pursuant to the GRIN convention.

The company **ESE Armo S.r.l.** collected from the GSE operating grants, gross of 4% withholding tax, for € 30,000 paid under the GRIN_00143 agreement relating to the recognition, pursuant to articles 19 and 30 of the Italian decree of 6 July 2012, of incentives for the production of electricity from renewable sources.

The company **Cramet Energie S.r.l.** collected from the Gestore dei Servizi Energetici - GSE S.p.A. operating grants, gross

of 4% withholding tax, for € 528,000 paid under convention T05F244207 for the recognition of incentive tariffs for photovoltaic power generation plants (the 'Energy Account').

The company **ERA S.C.r.l.** collected operating grants, gross of 4% withholding tax, of € 27,000 from the Gestore dei Servizi Energetici - GSE S.p.A., paid pursuant to GRIN conventions no. 363 and no. 364 concerning the recognition, pursuant to articles 19 and 30 of the Italian decree of 6 July 2012, of incentives for the production of electricity from renewable sources;

The Company **ESE Cerignola S.r.l.** collected from GSE operating grants, gross of 4% withholding tax, in the amount of € 13,000 paid pursuant to the GRIN_00359 agreement concerning the recognition, pursuant to articles 19 and 30 of the Italian decree of 6 July 2012, of incentives for the production of electricity from renewable sources.

The company **ESE Terlizzi S.r.l.** collected from the Gestore dei Servizi Energetici - GSE S.p.A. operating grants, gross of 4% withholding tax, for € 522,000 paid pursuant to convention T05F28451507 for the recognition of incentive tariffs for photovoltaic power generation plants (the "Energy Account").

The company **Ese Nurra S.r.l.** collected from the Gestore dei Servizi Energetici - GSE S.p.A. operating grants, gross of the 4% withholding tax, for € 97,000 paid under GRIN conventions no. 546 and no. 547 relating to the recognition, pursuant to articles 19 and 30 of the Italian decree of 6 July 2012, of incentives for the production of electricity from renewable sources.

The Company **Quinta Energia S.r.l.** received from the Gestore dei Servizi Energetici - GSE S.p.A. operating subsidies, gross of the 4% withholding tax, for € 169,000 paid pursuant to convention O01L259430507 for the recognition of incentive tariffs for photovoltaic electricity production plants (so-called 'Conto Energia').

RES S.r.l. collected from the GSE: operating grants, gross of the 4% withholding tax, for € 36,000 paid pursuant to convention T05F20717607 for the recognition of incentive tariffs for photovoltaic power plants (the "Energy Account"); and receipts for the sale of electricity at the all-inclusive tariff pursuant to convention TO101476 for € 81,000.

The company **ESE Salento S.r.l.** collected from the Gestore dei Servizi Energetici - GSE S.p.A.

operating subsidies, gross of 4% withholding tax, for €1,138,000 paid pursuant to agreements T05L244723707, T05L245625707, T05L245630307 and T05I245588107 for the recognition of incentive tariffs for photovoltaic power plants (the so-called "Energy Account").

The company **Parco Eolico Buseto S.p.a.** collected from Gestore dei Servizi Energetici - GSE S.p.A. pursuant to convention FER 003935, signed in accordance with Italian decree of 6 July 2012, incentives for the net production of electricity fed into the grid, amounting to € 248,000. The company **Comer S.r.l.** collected from Gestore dei Servizi Energetici - GSE S.p.A. pursuant to the FER 001575 agreement, € 442,000 as recognition of all-inclusive tariffs on electricity produced.

The company **Solis S.r.l.** collected from the Gestore dei Servizi Energetici - GSE S.p.A. operating subsidies, gross of the 4% withholding tax, in the amount of € 8,751,000 for the recognition of incentive tariffs for photovoltaic power plants (the so-called "Energy Account") and more in detail:

- for the **Codroipo photovoltaic plant**, the company collected operating subsidies, gross of the 4% withholding tax, of € 718,000 from the Gestore dei Servizi Energetici - GSE S.p.A. for the recognition of incentive tariffs (the so-called "Energy Account");
- for the **Varmo photovoltaic plant**, Varmo collected from the Gestore dei Servizi Energetici - GSE S.p.A. operating subsidies, gross of

the 4% withholding tax, for € 276,000 for the recognition of incentive tariffs (so-called "Conto Energia");

- for the **photovoltaic plants located in Brindisi** (formerly Energia Tre S.r.l.) collected operating grants, gross of 4% withholding tax, of € 6,504,000 from the Gestore dei Servizi Energetici - GSE S.p.A. for the recognition of incentive tariffs (the so-called "Energy Account");
- for the **Castelguglielmo photovoltaic plant**, it collected operating grants, gross of the 4% withholding tax, of €1,253,000 from the Gestore dei Servizi Energetici - GSE S.p.A., paid pursuant to convention T05N278544007 for the recognition of incentive tariffs (the so-called "Conto Energia").

ACTIVE

Intangible fixed assets

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
1) Start-up and expansion costs	1	2	(1)
4) Concessions, licences, trademarks and similar rights	8,164	8,971	(807)
5) Start-up	3,558	3,848	(290)
6) Assets under construction and advances	4,068	2,569	1,499
7) Others	1,670	894	776
Total Intangible Fixed Assets	17,461	16,284	1,177

Goodwill consists of the higher value allocated upon acquisition of the companies belonging to the Repower Renewables perimeter.

The item “Assets under construction and advances” mainly includes software investments for the development of CRM and the Cyber Security project.

The item ‘other’ fixed assets mainly includes the customer portfolio of the company RGP, amounting to € 1,5 mln, net of the relative depreciation provision of € 650,000.

Tangible fixed assets

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
1) Land and buildings	39,104	37,503	1,601
2) Plant and machinery	190,401	203,902	(13,501)
4) Other assets	9,556	9,314	242
5) Assets under construction and advances	15,215	8,988	6,228
Total Tangible Fixed Assets	254,276	259,706	(5,430)

Reblading activities conducted at the Lucera wind farm were completed during 2023, with investments during the year of € 650,000. Also within the renewables perimeter, construction activities continued on the Melfi project, with investments of € 10,974,000. Construction of the Ghislarengo project also started for € 2,565,000; panels of the Varmo plant that were

damaged following a powerful hailstorm that occurred in the summer of 2023 were replaced for € 551,000; and the revamping of Quinta Energia was carried out for € 208 mln. In the traditional business segment, investments related to electric mobility activities for about € 1,263,000 (including both tangible and intangible assets); IT investments for about € 3,940,000; and investments

to replace small components on the Teverola power plant for € 505,000 thousand. The item “Other assets” mainly refers to spare parts for components of the Teverola plant for € 7,173,000 (€7,409,000 in 2022). The attached schedule details the changes in historical costs and accumulated depreciation for each category of asset.

Financial fixed assets

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
1.b) Investments in affiliated companies	23,885	6,008	17,877
1.d) Investments in other companies	1,004	824	180
2.b) Receivables from affiliated companies	4,155	3,455	700
2.d) Receivables from others	4,034	4,212	(179)
3) Other titles	45	-	45
Total Financial Fixed Assets	33,122	14,499	18,623

Equity investments in associated companies amount to € 23,885,000 (€ 6,008,000 in 2022) and refer to: the equity investment in Terra di Conte, which manages a wind farm with a peak nominal power of 1.00 MWe connected to the national medium-voltage grid on 30 December 2011 and located in the municipality of Casavecchio di Puglia (FG); to the equity investment in Erreci Srl and Erreci Impianti srl, companies active in the field of energy efficiency and the sale of energy to residential customers, which Repower started to acquire in the course of 2022 for a total investment amounting to € 6,724,000.

The carrying cost is higher than the fraction of shareholders' equity, however, no write-down is made as the impairment is not considered permanent.

In addition, on 29 January 2024 Repower acquired a further 40% of Erreci srl and Erreci Impianti S.r.l. by exercising its call option in advance, thereby increasing its share to 70% of

both companies. The payment of the controlling share was made in January and February 2024 for approximately € 15.2 mln.

Also contractually provided for is the payment of a deferred portion of the price in the years 2025, 2026, 2027 and 2028, as well as an earn-out to be paid in 2028 based on the business results of the acquired companies.

The Joint Venture operation for the Ciminna project was carried out, which saw deconsolidation of the dedicated SPV following the entry of third-party shareholders.

The transfer of the business unit generated an overall capital gain of € 7,600,000 for the Repower Group. The recorded value of the equity investment amounts to € 14 mln. The cash investment amounted to about € 6,302,000.

On 20 December 2023, the company acquired a 20% shareholding in Elettrostudio Energia S.r.l., a company that provides design, development, management

and maintenance services for energy production plants, including the management of all authorization phases of such plants. The total value of the investment as of 31 December 2023 is € 2,444,000.

Finally, with regard to the company Roma gas e power S.r.l., on 6 November 2023 the shareholders' meeting resolved a capital increase of € 87,500, bringing it to a total of € 100,000. Repower Italia subscribed to this increase in full, thereby increasing its ownership percentage 90%, moving from associate to subsidiary.

Equity investments in other companies refer to:

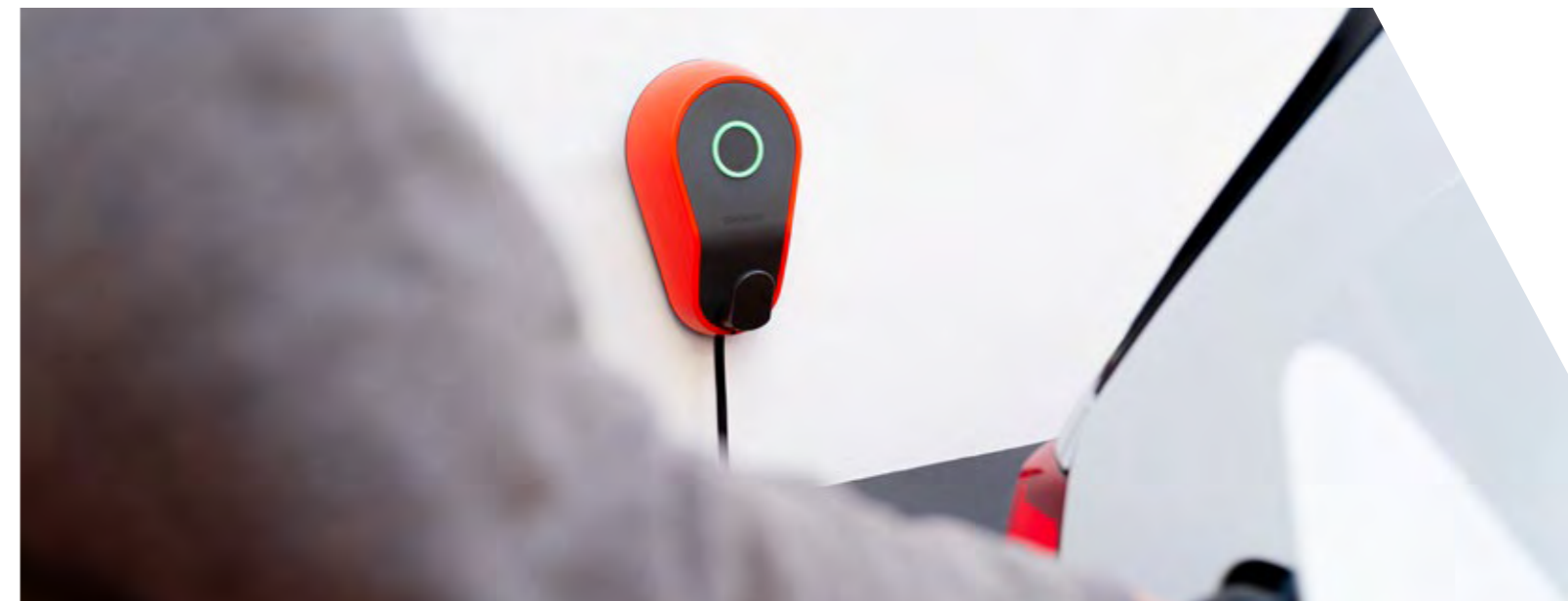
- participation in the "vertical farm" project for the realization of an innovative cultivation system managed by partners already operating in the sector. In December 2023, Repower Italia made a partial sale of the equity investment in the amount of € 220,000, bringing its total value to € 104,000;
- participation in e-concept, an innovative start-up in the green economy sector based in Venice (€ 88,000);
- an equity investment in Green Energy Storage srl, a company active in the design of innovative hydrogen batteries. In June 2023, the company subscribed to a capital increase (€ 400,000), bringing its total value to € 600,000;
- a 5.00% interest in the share capital of ESE Asiago Holding S.p.A. for a value of € 204,000 (value unchanged from 2022).

Receivables from affiliated companies amounting to € 4,155,000 (€ 3,455,000 in 2022) is mainly composed of the loan to the affiliated company ESE Asiago in the amount of € 4,000,000 (€ 3,300,000 in 2022).

Receivables from others amount to € 4,078,000 (€ 4,212,000 in 2022).

The item includes security deposits paid to third parties by Repower Vendita Italia S.p.A. and Repower Italia S.p.A., required to operate in the energy markets in the amount of € 1,880,000, and cash and cash equivalents pledged by project companies operating in the renewable energy sector in favor of

financial institutions to secure the granting of loan agreements or the granting of signature credit lines maturing beyond the next financial year (DRSA) in the amount of € 2,193,000.





Inventories

Inventories have been valued at average purchase cost (if lower than their presumed realizable value). In greater detail:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
CO ₂ quotas	13,070	17,156	(4,086)
Gas	26,811	18,032	8,779
Spare parts	3,508	2,490	1,018
Agricultural material	7	6	1
Subtotal raw materials	43,395	37,684	5,712
Work in progress on order	345	2,810	(2,465)
VAS products (Paline and smart meter)	1,809	1,323	486
Subtotal finished products	1,809	1,323	486
Total inventories	45,549	41,816	3,733

Inventories of “Raw, ancillary and consumable materials” consist of CO₂ quotas and gas inventory relating to Repower Italia S.p.A., as well as spare parts for the Teverola power station relating to SET S.p.A. Inventories are valued at average purchase cost or estimated realizable value if lower. The

inventory refers to the purchase needs of emission trading certificates of the subsidiary SET S.p.A. and the delivery of these certificates will take place during 2024. During 2023, the company won the Stogit tender for the allocation of 2,617,000 GJ of gas storage capacity for TA 2023/2024. As of 31 December

2023, the GJ of gas in storage amounted to 1,796,000, for a valuation of € 26,810,000 (Euro 18,032,000 as of 31 December 2022). The increase in the gas inventory is due to a price effect of 2023 compared to 2022.

Credits

The breakdown of receivables is as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION	PORTION DUE WITHIN THE FINANCIAL YEAR	PORTION DUE AFTER ONE YEAR
1) Toward customers	252.029	331.455	(79.426)	252.029	-
2) From subsidiaries	-	-	-	-	-
5) From companies subject to the control of parent companies	52	37	15	52	-
5a) Tax credits	26.378	23.338	3.040	24.578	1.800
5b) Deferred tax assets	44.170	38.724	5.446	10.775	33.395
5 quarter) Toward others	12.626	8.091	4.535	12.597	29
Total receivables	335.254	401.644	(66.390)	300.031	35.224

Customer receivables’ refer to trade receivables mainly related to the sale of electricity and gas.

Compared to 2022, the significant decrease in receivables, net of the allowance for doubtful accounts, is due on the one hand to falling prices in the energy and gas markets,

and on the other to a reduction in overdue receivables.

The nominal value of trade receivables was adjusted to their estimated realizable value through a special allowance for doubtful accounts, as detailed below.

Below are the changes in the provision for bad debts:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	MOVEMENTS FROM ACQUISITIONS	PROVISIONS	RELEASES/USES	DEC. 31, 2023
Provision for bad debts	(24,467)	(562)	(2,948)	4,933	(23,044)

In 2023, the preponderant portion of the allowance for doubtful accounts (€ 4,414,000) was utilized to cover write-offs of receivables due from customers subject to bankruptcy proceedings, in ordinary liquidation, or subject to enforcement proceedings that are expected to be unsuccessful.

Tax receivables' refer to the following types:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
Receivables from tax authorities for IRES	12,265	14,069	(1,803)
Receivables from tax authorities for IRAP	1,720	1,748	(28)
Receivables from tax authorities for VAT	8,894	3,657	5,238
Other state taxes	773	676	97
Excise advances to UTF energy and gas	925	1,388	(464)
Total within 12 months	24,578	21,538	3,040
Other state taxes	1,800	1,800	-
Total over 12 months	1,800	1,800	0
Tax credits	26,378	23,338	3,040

The receivable from the Italian Treasury for VAT has increased compared to 2022. The deviation in receivables for excise duties, the balance of which amounts to € 925,000, must be analyzed together with the debt for invoiced excise duties shown in the tax payables section of the liabilities.

Deferred tax assets amount to € 44,170,000 (€ 38,724,000 in 2022); deferred tax assets were recognized in accordance with the principle of prudence, and

are based on the assumption that income forecasts for future years satisfy the conditions of reasonable certainty required for recognition by accounting standard no. 25.

Deferred tax assets were determined with reference to the tax rates in force in the financial years running after 31 December 2023, i.e. 24% for IRES and 3.9% for IRAP. It should be noted, however, that some Group companies apply a different IRAP rate based on

regional regulations.

A detailed description of the temporary differences giving rise to deferred tax assets and the related tax effect is provided in the specific schedule in the annexes section.

The item 'receivables from others' mainly comprises:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
GSE	-	350	(350)
Security deposits	29	29	0
Other receivables from third parties	9,386	5,004	4,382
Advances to suppliers	3,211	2,708	503
Total receivables from others	12,626	8,091	4,535

The item "Other receivables from third parties" is mainly composed of:

- Deposits on land and easements amounting to approximately € 1,121,000 paid for ongoing renewable project developments;
- Guarantee deposits in favor of Tern (in the amount of about € 1,100,000) and to other suppliers (in the amount of about € 1,674,000) relating to grid connection of ongoing renewable projects;
- Advances to the sales network in the amount of € 614,000;
- Credit related to the reimbursement of the ARERA contribution in the amount of € 854,000, collected in the first months of 2024, pursuant to resolution 562/2023/A. This measure grants

a refund of the amount paid in excess to the extent of 40% of the amount already paid as operating contribution for the year 2023;

- Credit related to the reimbursement related to the power regional surtax dossiers year 2010-2011 for € 1,630,000;

- Substitute tax for enfranchisement of goodwill arising from the merger of Solis in the amount of € 1,202,000, which will be allocated to current taxes in connection with amortization of the enfranchised goodwill.

Advances to suppliers mainly comprise:

- Land advances of € 620,000 paid to landowners for ongoing renewable projects;
- Advances to suppliers for the development of new projects in the amount of € 671,000;
- Invoices received from Roma Gas and Power S.r.l. but relating to transactions with the EGC Group prior to its entry into the capital of Repower Italia S.p.A.. These items, amounting to

€ 411,000, have been accounted for as advances pending settlement;

- Advance by SET S.p.A. to the shareholder Hera for the payment in December 2023 of interest on the loan, amounting to € 272,000;

- Advances on goods and services related to electric mobility for about € 886,000.

Breakdown of credits by geographical area

DESCRIPTION (VALUES IN EURO THOUSANDS)	ITALY	EUROPEAN UNION	REST OF EUROPE	TOTAL
Receivables from customers	226,394	21,614	4,021	252,029
- within the next financial year	226,394	21,614	4,021	252,029
- beyond the following financial year	-	-	-	-
Receivables from subsidiaries	-	-	-	-
- within the next financial year	-	-	-	-
- beyond the following financial year	-	-	-	-
Receivables from companies controlled by parent companies	52	-	-	52
- within the next financial year	52	-	-	52
- beyond the following financial year	-	-	-	-
Tax Credits	26,378	-	-	26,378
- within the next financial year	26,378	-	-	26,378
- beyond the following financial year	-	-	-	-
Deferred tax assets	44,170	-	-	44,170
- within the next financial year	10,775	-	-	10,775
- beyond the following financial year	33,395	-	-	33,395
Receivables from others	12,626	-	-	12,626
- within the next financial year	12,597	-	-	12,597
- beyond the following financial year	29	-	-	29
Total receivables	309,619	21,614	4,021	335,254

Receivables from the European Union mainly refer to the following geographical areas:

- **Luxembourg: € 21,549,000** for trade receivables related to the sale of electricity and gas to third parties;
- **Austria: € 66,000** for trade receivables related to the sale of electricity and gas to third parties.

Receivables from 'Rest of the World' include receivables related to:

- **Switzerland: € 160,000** for trade receivables mainly related to the sale of electricity and gas to third-party customers;
- **United Kingdom: € 3,861,000** for trade receivables related to the sale of electricity and gas to third parties.

Financial Assets Not Constituting Fixed Assets

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	CHANGES DURING THE YEAR	DEC. 31, 2022
Derivative financial instruments not held as fixed assets	17,661	29,247	46,908
Total financial assets not constituting fixed assets	17,661	29,247	46,908

As required by OIC 32 "Derivative Financial Instruments," receivables for derivative instruments open at 31 December 2023 are classified in this balance sheet item.

The variance is to be seen in conjunction with the item accounted for in the provisions for risks and charges section, thus overall **we have positions of € 1,718,000** as of 31 December 2023, compared to a position of

€ -17,346,000 as of 31 December 2022, with a **net change of € 19,085,000**. The change from the end of the previous year is attributable to both market trends and different hedging requirements.

Cash and cash equivalents

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
1) Bank and postal deposits	31,302	52,730	(21,428)
3) Cash and valuables on hand	4	15	(11)
Total cash and cash equivalents	31,306	52,745	(21,439)

The balance represents cash and cash equivalents at the end of the financial year.

Accrued income and prepaid expenses

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
Accrued income and prepaid expenses	5,483	5,542	(59)
Total accrued income and prepaid expenses	5,483	5,542	(59)

These represent the liaison items of the financial year counted on an accrual basis. The balance of the item is in line with the previous year.

LIABILITY

Net assets

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
I. Capital	2,000	2,000	-
IV. Legal reserve	2,100	2,100	-
VII. Other reserves, consolidation	-	-	-
<i>d) Shareholders' payments on account of future capital increase</i>	56,829	56,829	1,499
<i>f) merger reserve</i>	74,045	74,724	(679)
VIII. Retained earnings (losses)	(16,528)	49,618	(66,146)
Other reserves	3,903	6,608	(2,705)
IX. Profit (loss) for the year	(8,559)	(29,325)	20,767
Group equity	113,790	162,553	(48,763)
Capital and reserves pertaining to third parties	59,752	57,230	2,522
Minority interest in profit (loss)	5,902	2,601	3,301
Minority shareholders' equity	65,654	59,831	5,822
Net assets	179,444	222,385	(42,941)

The changes in shareholders' equity for the last two financial years and the reconciliation between the parent company's shareholders' equity and the consolidated shareholders'

equity are shown in detail in the table in the appendices. Change compared to the previous year is due to the payment of dividends in the amount of € 37,500,000 to Repower AG in March 2023,

a result of the current year and the carry-forward of the previous year's result.

Provisions for risks and charges

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	USES	RELEASE	PROVISIONS	DEC. 31, 2023
Provisions for pensions and similar obligations	2,841	(109)	(125)	592	3,199
Provisions for taxes, including deferred taxes	7,481	(743)	(387)	-	6,351
Derivative financial instruments liabilities	64,254	(64,254)	-	15,942	15,942
TAG contract fund	3,489	-	(967)	647	3,168
Decommissioning fund	1,201	-	-	194	1,395
Other risk provisions	5,883	(1,014)	-	500	5,370
Provisions for risks and charges	85,149	(66,119)	(1,479)	17,875	35,425

Provisions for retirement benefits consist of the agents' termination indemnity accrued by Repower Vendita Italia S.p.A.

The provision for deferred taxes refers to deferred taxes calculated on the consolidation difference allocated to 'plant and machinery' arising from acquisition of the Elettrostudio Group in 2018, and the acquisitions of Energia Varmo,

Energia Codroipo and Energia Tre in the first half of 2020.

The provision "for derivative financial instruments payable" includes the liability for financial instruments open as of 31 December 2023, the fair value of which is recognized in item 19) d) "Write-down of derivative financial instruments," as required by OIC 32.

The change is to be read in conjunction with the credit position recognized under receivables.

The item 'Other provisions' consists of:

With regard to the company Repower Vendita Italia S.p.A., the item includes the risk provision (€ 2,165,000 first accrual value) relating to the litigation on regional excise tax surcharges for the years 2010/2011. The utilization of € 1,014,000 refers to payments made following the first-degree sentence, while the accrual of € 393,000 refers to pending litigation. The provision as of 31 December 2023 amounted to € 711,000. Provisioning of the Company Solis Srl of the ViscoSud receivable in the

amount of € 1,404,000.

The "market risk" provision relates to the relationship that Repower Italia has with Trans Austria Gasleitung (TAG) where, as of 30 June 2020, following contract analysis, it emerged that it was necessary to make a provision for the expected losses on this contract (€ 2,917,000 at the date of the first provision), which can be defined as an onerous contract given the commitment to pay the fixed portion for the right to import until 2029. This analysis was

revised as of 31 December 2023, bringing the provision as of 31 December 2023 to €3,168,000.

The provision for "decommissioning risks" in the amount of € 1,395,000 (€ 1,201,000 in 2022) referred to the provision for the decommissioning of plants powered by renewable sources, for which there is an obligation to restore the area at the end of their useful life.



Severance pay

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	USES	PROVISIONS	DEC. 31, 2023
Employee severance pay	4,718	(167)	586	5,138

The increase refers exclusively to the accrual for the year not allocated to pension funds, while the decrease refers both to the substitute tax due on the revaluation of the fund

pursuant to Italian legislative decree No. 47 of 18 February 2000, article 11, paragraphs 3 and 4; and to indemnities paid to resigning employees in addition to the advances

granted pursuant to article 1 of law no. 297 of 29 May 1982.

Debts

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	CHANGE DURING THE FINANCIAL YEAR	DEC. 31, 2023	PORTION DUE WITHIN THE FINANCIAL YEAR	PORTION DUE AFTER ONE YEAR
Payables to shareholders for loans	33,779	(18,823)	14,957	4,769	10,187
Due to banks	136,422	8,656	145,078	51,336	93,742
Payables to other lenders	5,412	(694)	4,718	697	4,021
Advances	2,000	(2,000)	-	-	-
Payables to suppliers	183,535	58,111	241,646	240,966	680
Payables to subsidiaries	-	-	-	-	-
Payables to parent companies	103,611	(33,157)	70,453	70,453	-
Payables to companies subject to the control of the parent company	325	(226)	99	99	-
Tax debts	10,399	(6,641)	3,758	3,758	-
Payables to social security institutions	1,282	42	1,324	1,324	-
Payables to others	49,327	(12,133)	37,193	37,193	-
Debts	526,092	(6,865)	519,226	410,595	108,631

Payables to shareholders for loans

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	VARIATION	DEC. 31, 2023	PORTION DUE WITHIN THE FINANCIAL YEAR	PORTION DUE AFTER ONE YEAR
Ese Nurra S.r.l.	1,303	-	1,303	-	1,303
Repower Italia S.p.A. to Repower AG	17,078	(15,629)	1,449	1,449	-
SET S.p.A. to Hera S.p.A.	15,399	(3,195)	12,204	3,320	8,884
Total	33,779	(18,824)	14,957	4,769	10,187

The item 'payables to shareholders for loans' refers to:

- € 1,449,000 for the debt that Repower Italia owes to the parent Repower AG: this refers to interest (€ 17,000) on the interest-bearing revolving facility to the parent Repower AG and € 1,432,000 for interest on guarantees given (parent company guarantees). The current contract between the parties relating to the working capital facility is of the interest-bearing revolving type and has the following characteristics: i) start date: 01/01/2023; ii) end date: 31/12/2023; iii) maximum utilization possibility: €30 million; iv) interest rate: 1.35%; v) interest periodicity: annual in arrears. The parent company guarantees contract bears interest at 1.63%, has a maximum amount of loanable guarantees of € 80 mln, and is valid from 01/07/2023 to 31/12/2023.
- € 12,204,000 (€ 15,399,000 in 2022) from the residual debt of the shareholder loan granted by the minority shareholder HERA S.p.A. in favor of SET S.p.A., of which € 3,320,000 (€ 3,194,000 in 2022) within the year and € 8,884,000 (€ 12,204,000 in 2022) beyond the year. The loan has the following characteristics: i) disbursement on 30 June 2015; ii) maturity date June 2027; iii) interest rate 3.90%, payment of principal and interest semi-annually on 30 June and 31 December;
- € 1,303 refers to non-interest-bearing loans granted to Società Ese Nurra by its shareholder ETAV S.r.l. and are subordinated to Intesa San Paolo S.p.A.'s credit reasons for granting the loan.

Due to banks

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	VARIATION	DEC. 31, 2023	PORTION DUE WITHIN THE FINANCIAL YEAR	PORTION DUE AFTER ONE YEAR
Repower Italia S.p.A.	15,000	-	15,000	15,000	-
Repower Vendita Italia S.p.A.	-	28,364	28,364	17,143	11,221
SEA S.p.A.	20,985	(3,652)	17,333	3,816	13,517
ESE Cerignola S.r.l.	598	(163)	434	169	265
Ese Nurra	6,431	(1,500)	4,931	1,417	3,514
ESE Salento S.r.l.	4,114	(476)	3,638	505	3,133
ESE Armo S.r.l.	1,450	(452)	998	483	515
COMER S.r.l.	3,749	(425)	3,324	3,324	-
Busetto Wind Farm S.p.A.	17,188	(1,432)	15,756	1,505	14,251
ESE Apricena S.r.l.	8,221	(3,033)	5,188	402	4,785
Solis S.r.l.	58,687	(8,574)	50,113	7,572	42,541
Total	136,422	8,655	145,078	51,336	93,742

On 27 July 2022 Repower Italia S.p.A. entered into a revolving cash credit facility (RCF) with Banco BPM S.p.A., the main details of which are set out below:

- **amount financed:** € 15,000,000;
- **duration:** 18 months (January 2024);
- **interest rate:** 3-month Euribor + 105 bps.

Below are details of the project finance and leasing of the pipeline of renewable plants in operation, broken down by each corporate vehicle.

SEA S.R.L.

The item is represented by the nominal principal amount of the loans underwritten with a “project finance” contract with the bank BNL S.p.A., whose value as of 31 December 2023, net of transaction costs, according to the amortized cost criterion provided for by OIC 19, stood at € 17,333,000.

The financing is divided into the following credit lines:

a) Base Line for a maximum principal amount of € 26,100, fully disbursed on 16 December 2019 with a repayment rate of semi-annual principal and interest payments starting in December 2019. The reference rate is six-monthly Euribor, plus a spread of 150 basis points. The maturity date of the loan is 31 December 2027;

b) Reblading line for a maximum principal amount of € 5 mln to partially cover the costs of reblading the wind farm. The line provides for a six-monthly repayment rate starting from June 2023 and is subject to six-monthly Euribor plus a spread of 170 basis points. The maturity date is 31 December 2029. As of the date of preparation of these financial statements, there were no critical issues with respect to the financial agreements.

ESE ARMO S.R.L.

The item is represented by the nominal principal amount of loan no. 5033837 granted by deed dated 12 December 2012 and disbursed by final deed of receipt dated 4 September 2013

by MPS Capital Services Banca per le Imprese S.p.A. to support the construction of the wind farm, for an original amount of € 4,600,000 at a variable rate based on the six-month Euribor

365 parameter plus a spread of 3.50% repayable in semi-annual instalments in arrears with a final maturity date of 31 December 2025.

ESE CERIGNOLA S.R.L.

This item is made up of the principal of unsecured loan no. 5673 granted on 10 August 2010 by Banca Popolare Etica S.c.p.a. to support the construction

and management of the wind farm for an original amount of € 2,120,000 repayable in semi-annual instalments in arrears at a variable rate based on the

3-month Euribor rate plus a spread of 2.00% and a floor rate of 3.50%. The maturity date of the loan is 9 May 2026.

BUSETO WIND FARM S.P.A.

The item relates to the residual debt of the project financing agreement signed on 29 May 2018 accounted for using the amortized cost method. The residual debt is equal to a nominal principal amount of € 16,430,000, net of € 674,000 for financial transaction costs for a net, as of 31 December 2023, of € 15,756,000. The residual nominal debt in the amount of

€ 16,430,000 refers to the base credit line of an original amount of € 24,300,000 repayable in semi-annual instalments in arrears, first instalment due on 30 June 2018 and last instalment due on 30 June 2033 at the Euribor 6m rate plus a spread of 230 bps until 31 December 2027 and Euribor 6m plus a spread of 250 bps from 31 December 2027 to maturity. As part of the loan

agreement, a line of credit was made available to the Company as collateral, unused at year-end, called the “DSRA line” for a nominal amount of €1,100,000 and charged with quarterly fees for non-utilization.

ESE APRICENA S.R.L.

On 18 December 2018, the Company signed a project financing contract with Banco BPM S.p.A. for a total of € 9,700,000 for the construction of the wind farm and ancillary works, the utilization period of which expired on 31 December 2019.

Following the bankruptcy of the wind turbine supplier Senvion GmbH, the Company signed a new contract for the supply and installation of wind turbines with the supplier Vestas Italia S.p.A., making it necessary to adjust the financing agreement to the new cash flows related to the investment. Therefore, on 4 February 2021, an amending agreement was signed with Banco BPM that provided for an increase in the financing lines to a total of € 10,800,000, as well

as a simultaneous extension of the maturities of the financing lines. The remaining debt is a nominal principal amount of € 5,419,000 net of € 231,000 for financial transaction costs for a net amount, as of 31 December 2023, of € 5,188,000.

The debt refers entirely to the utilization of the senior credit line granted to cover the costs of constructing the wind farm for an original amount of € 6,350,000 repayable in semi-annual instalments in arrears, the first due on 30 June 2020, final maturity on 31 December 2035 bearing interest at the Euribor 6 m + 250 bps rate. It should be noted that during the year, the CP line was fully repaid in the amount of € 2,695,000 granted to cover the costs for the construction of the

connection works to be sold to E-Distribuzione S.p.A. and Terna S.p.A., which provided for a maximum principal amount of € 2,700,000 that could be repaid through collection of the sale of grid installations.

In addition, the project financing contract granted a vat line of € 1,750,000 fully reimbursed on 31 December 2022.

COMER S.R.L.

This item relates to the residual debt, represented according to the amortized cost method, of the base credit line of the project financing contract for an original nominal amount of € 7,000,000, pre-amortization until 15 June 2016, deferred six-monthly instalment starting on 30 June 2016 and final maturity on 31 December 2029. The interest rate is equal to Euribor

6m + a spread of 400 bps from the first to the fifth year, 425 bps from the sixth to the tenth year and 450 bps from the eleventh to the maturity of the loan. The nominal residual debt of the base credit line at year-end was € 3,394,000. In application of the amortized cost criterion, payables to banks are shown net of € 70,000 for accessory financing expenses amortized

using the effective financial cost method over the duration of the transaction.

In addition to the Base Line, the project financing contract granted a VAT line of € 1,600,000 that was fully reimbursed.

ESE SALENTO S.R.L.

The item consists of the principal of the project financing contract for an original amount of € 6,000,000, variable rate 6-month Euribor 360 parameter

plus a spread of 2.50% repayable in semi-annual instalments in arrears with final maturity on 31 December 2030. In application of the amortized cost accounting

criterion, the debt is shown net of transaction costs in the amount of € 105,000.

ESE NURRA S.R.L.

In 2020, the financial structure of the plant held by Ese Nurra was changed by closing the pre-existing lease and structuring a senior line contracted with Intesa San Paolo for a nominal value of € 9,358,000, which

provides for a six-monthly amortizing (June and December) and is regulated at Euribor 6M + 1.45% Spread. The maturity date of the line is 31 May 2027. In application of the amortized cost accounting criterion, the

debt is shown net of transaction costs of € 66,000.

SOLIS S.R.L.

Following a merger transaction finalized on 26 April 2021, the company became owner of the photovoltaic plants of the investee companies ESE Castelguglielmo Srl, Energeia Codroipo Srl, Energeia Varmo Srl and of the ten photovoltaic plants named "Pugliesi," belonging to the former subsidiary Energia Tre S.r.l. Subsequently, on 20 October

2021, the company entered into a project financing contract for a total amount of € 70,500,000 with Banca Nazionale del Lavoro S.p.A., Banco BPM S.p.A. and ING Bank N.V., with a financing line called 'base line' of € 66,000,000 and a DSRA line of € 4,500,000, the latter not disbursed at year-end, both bearing interest at Euribor 6 months 360 and a spread of

1.50%. Repayments are made in semi-annual instalments on 30 June and 31 December, with the last instalment on 30 December 2030.

The nominal portion of the debt as of 31 December 2023 was € 50,716,000 gross of the discount portion of € 603,000.



Payables to other lenders

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	VARIATION	DEC. 31, 2023	PORTION DUE WITHIN THE FINANCIAL YEAR	PORTION DUE AFTER ONE YEAR
Repower Italia S.p.A. toward the European Commission	3	-	3	-	3
RER - debts vs. leasing	5,410	(694)	4,715	697	4,019
Payables to other lenders	5,412	(694)	4,718	697	4,021

The item "payables to other lenders" essentially refers to payables to leasing institutes, amounting to € 4,715,000, for the plants of the project

companies recognized following adoption of the financial method for the accounting of said leasing contracts. The following table provides a breakdown of

outstanding leases by special purpose company operating in the renewable energy sector:

COMPANY	PLANT	INSTITUTE	DATE SIGNED	TRANSACTION RATE	TRANSACTION DEADLINE	DEC. 31, 2023
RES S.r.l	Hydro "S.Polo"	UBI Leasing S.p.A	15/10/2020	E 3m + 3.64%	01/09/2029	169
RES S.r.l	FV "Murialdo"	UBI Leasing S.p.A	16/09/2016	E 3m + 3.64%	01/04/2029	112
Quinta Energia S.r.l	FV "Iacopelli"	MPS Leasing & Factoring S.p.A	12/12/2012	E 3m + 6.90%	12/12/2030	704
Elettrosud Rinnovabili S.r.l	WMS "Carbonaia II"	Creval S.p.A	01/12/2010	E 3m + 2.25%	01/08/2031	827
Cramet Energie S.r.l	FV Carovigno	Credite Agricole Leasing Italia S.r.l	27/12/2010	E 3m + 4.00%	03/10/2029	1,392
ESE Terlizzi S.r.l	FV Molfetta	Credite Agricole Leasing Italia S.r.l	27/12/2010	E 3m + 4.00%	03/10/2029	1,512
Total						4,715

Payables to suppliers

Payables to suppliers are stated net of trade discounts. Cash discounts, however, are recognised at the time of payment. The nominal value of these payables has been adjusted for rebates (billing adjustments) to the extent of the amount defined with the

counterparty. The item mostly includes suppliers of energy transportation services (mainly ENEL Distribution), electricity balancing services on the secondary market (Terna), and suppliers of energy and gas commodities (GSE, SNAM).

The increase in payables compared to the previous year mainly refers to system charges, since government interventions to support end consumers ceased in 2023.

Payables to parent companies

The items 'receivables from parent companies' and 'payables to parent companies' mainly refer to the purchase and sale of natural gas, electricity and CO₂ certificates (emission trading) with Repower AG.

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
CO ₂	12,851	10,606	2,245
Energy	41,204	87,663	(46,459)
GAS	12,162	7,189	4,973
Services	1,030	(5,054)	6,084
TMF	3,207	3,207	(1)
Total receivables from and payables to parent companies	70,453	103,611	(33,157)

The change is due to the purchase of more CO₂ certificates for € 2,245,000, to lower payables for the purchase

of electricity for € 46,459,000, to an increase in payables for the purchase of gas for € 4,973,000, and finally to an increase in

payables for services for € 6,084,000.

Payables to companies controlled by parent companies

Payables to companies subject to the control of parent companies are broken down as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
Terra di Conte S.r.l.	99	325	(226)
Payables to companies controlled by parent companies	99	325	(226)

These relate to fees accrued for the concession for use of the 'Carbonaia II' facilities.

Tax debts

A breakdown of tax payables:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	VARIATION	DEC. 31, 2022
Payables to tax authorities for IRES	1,101	(1,101)	0
Payables to tax authorities for IRAP	1	(1)	0
Excise debts	6,032	(4,851)	1,181
Withholding taxes on employee and self-employed income	632	67	699
Other tax debts	2,633	(755)	1,879
Tax debts	10,399	(6,641)	3,758

The deviation from the previous year is mainly related to the reduction of excise duties

payable, which represents a stabilization of the advance instalments based on

consumption in 2022 against the excise duty invoiced in 2023.

Payables to social security Institutions

The item amounting to € 1,324,000 (€ 1,282,000 in 2022) refers to the amount payable to INPS for contributions on salaries and wages for the

month of December, as well as contributions on salaries for fourteenth-month salary payment, holidays and public holidays.

The item also includes the payable to the Enasarco foundation for contributions relating to agents.

Other debts

The item other payables is mainly composed of:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2022	VARIATION	DEC. 31, 2023	PORTION DUE WITHIN THE FINANCIAL YEAR	PORTION DUE AFTER ONE YEAR
CO ₂	17,202	(4,087)	13,115	13,115	-
Security deposits end customers	23,169	(6,204)	16,965	16,965	-
Other payables to personnel	2,246	907	3,153	3,153	-
Convention municipality Teverola	62	0	62	62	-
Payment of TMF deductions	1	0	1	1	-
Advances from customers	6,123	(5,367)	756	756	-
Other liabilities	524	2,617	3,141	3,141	-
Other payables	49,327	(12,133)	37,193	37,193	-

The most significant amounts relate to:

- payables to employees for wages and salaries, fourteenth-month salary, holidays and expense accounts in the amount of € 3,153,000 (€ 2,246,000 in 2022);
- € 62,000 (€ 62,000 in 2022) for debts related to the convention with the Municipality of Teverola;
- € 16,965,000 (€ 23,169,000 in 2022) for liabilities in respect of security deposits, mainly relating to Repower Vendita S.p.A. (Decrease is due mainly to repayment of security deposits to customers);
- € 13,115,000 related to offsetting the payable due the Italian Ministry for the Environment and Territory Protection, for CO₂ obligation quotas, with receivables for the advance payments made to buyers related to certificates purchased;
- € 756,000 for payables referring to advances from customers mainly for Solis Srl.



Breakdown of debts by geographical area

DESCRIPTION (VALUES IN EURO THOUSANDS)	ITALY	EUROPEAN UNION	OTHER EU COUNTRIES	TOTAL
Payables to shareholders	13,508	-	1,449	14,957
- within the next financial year	3,320	-	1,449	4,769
- beyond the following financial year	10,187	-	-	10,187
Due to banks	145,078	-	-	145,078
- within the next financial year	51,336	-	-	51,336
- beyond the following financial year	93,742	-	-	93,742
Payables to other lenders	4,718	-	-	4,718
- within the next financial year	697	-	-	697
- beyond the following financial year	4,021	-	-	4,021
Advances	-	-	-	-
- within the next financial year	-	-	-	-
- beyond the following financial year	-	-	-	-
Payables to suppliers	188,020	1,841	51,785	241,646
- within the next financial year	187,340	1,841	51,785	240,966
- beyond the following financial year	680	-	-	680
Payables to parent companies	-	-	70,453	70,453
- within the next financial year	-	-	70,453	70,453
- beyond the following financial year	-	-	-	-
Payables to companies subject to the control of the parent company	99	-	-	99
- within the next financial year	99	-	-	99
- beyond the following financial year	-	-	-	-
Tax debts	3,758	-	-	3,758
- within the next financial year	3,758	-	-	3,758
- beyond the following financial year	-	-	-	-
Payables to Institutions (...)	1,324	-	-	1,324
- within the next financial year	1,324	-	-	1,324
- beyond the following financial year	-	-	-	-
Other debts	37,193	-	-	37,193
- within the next financial year	37,193	-	-	37,193
- beyond the following financial year	-	-	-	-
Total payables	393,698	1,841	123,687	519,226

Payables to the 'European Union' mainly refer to the following geographical areas:

- **Germany: € 671,000** for trade payables to third parties related to the purchase of electricity and gas;
- **Austria: € 181,000** for trade payables to third parties related to the purchase of electricity and gas;
- **Luxembourg: € 11,000** for trade payables to third parties relating to the purchase of electricity and gas;
- **France: € 21,000** for trade payables to third parties related to the purchase of electricity and gas;
- **Denmark: € 957,000** for trade payables to third parties related to the purchase of electricity and gas.

Payables to other EU countries are related to Switzerland (€ 5,636,000) and to the United

Kingdom (€ 46,149,000) for trade payables to third parties related to the purchase of

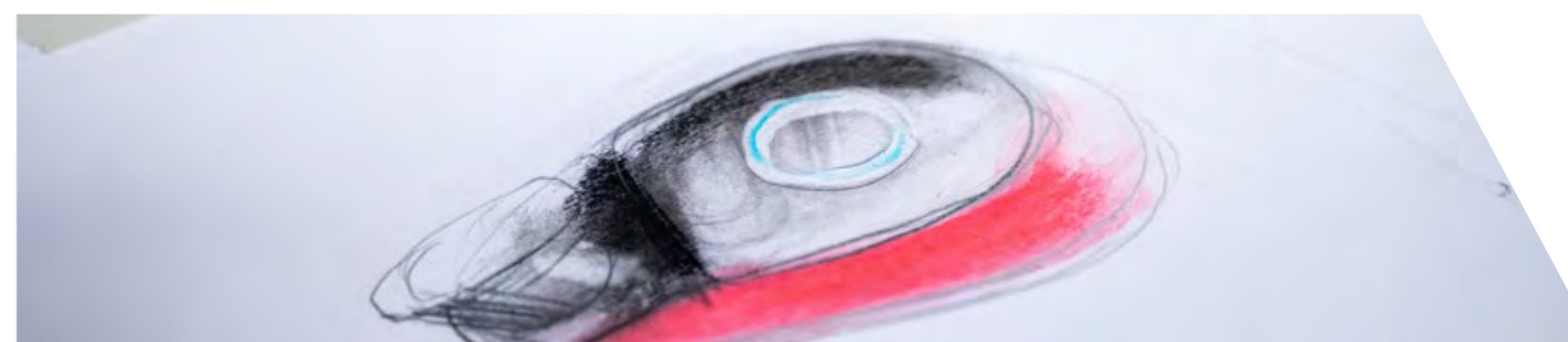
electricity and gas.

Accrued expenses and deferred income

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	VARIATION
Accrued expenses and deferred income	878	800	78
Accrued expenses and deferred income	878	800	78

Accrued expenses and deferred income are connecting items of the financial year counted on an accrual basis.

The item mainly refers to bank fees, interest and commissions for undrawn credit lines not yet debited as of 31 December 2023.



PROFIT AND LOSS ACCOUNT

Value of production

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
1) Revenues from sales and services	2,930,502	6,508,057	(3,577,555)	-55%
3) Changes in work in progress on orders	(2,465)	-	(2,465)	0%
4) Increases in fixed assets for internal work	0	190	(190)	0%
5) Other revenues and income	24,926	25,812	(886)	-3%
Total value of production	2,952,963	6,534,059	(3,581,096)	-55%

A breakdown of revenues from sales and services by activity:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Electricity sales	1,396,593	3,085,625	(1,689,032)	-55%
Gas sales	1,526,901	3,397,499	(1,870,598)	-55%
CO ₂	97	20,959	(20,862)	-100%
Provision of services	6,911	3,973	2,937	74%
Total sales revenues	2,930,502	6,508,057	(3,577,555)	-55%

Revenues from sales and services relate 48% to the sale of electricity, and 52% to the sale

of gas. For further details, please see paragraphs 7 and 8 of the Report on Operations.

Breakdown of revenue from sales and services by geographical area

A breakdown of revenues from sales and services by geographical area:

DESCRIPTION (VALUES IN EURO THOUSANDS)	AMOUNT	ITALY	EUROPEAN UNION	REST OF EUROPE
Electricity sales	1,396,593	1,355,859	-	40,734
Gas sales	1,526,901	673,071	203,718	650,112.00
CO ₂	97	97	-	-
Provision of services	6,911	6,911	-	-
Total	2,930,502	2,035,937	203,718	690,846

Revenues from the European Union are related to the following geographical areas:

- Austria: € 1,648,000 for the sale of gas;
- Denmark: € 150,517,000 for the sale of gas;
- Germany: € 6,138,000 for the sale of gas;
- France: € 14,726,000 for the sale of gas;
- Luxembourg: € 30,689,000 for the sale of gas.

Revenues to 'Other EU countries' relate to the following geographical areas:

- Switzerland: € 32,390,000 for the sale of electricity and gas to Swiss parent company Repower AG;
- Switzerland: € 358,925,000 for the sale of electricity and gas to third parties;
- United Kingdom: € 299,531 for the sale of electricity and gas to third parties.

Other revenues and income amounted to € 24,926,000:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Other revenues and income	24,926	25,812	(886)	-3%
Total revenues (A5)	24,926	25,812	(886)	-3%

Other revenues consist mainly of the following items:

- a) € 11,348,000 (€ 15,594,000 in 2022) related to revenues from incentive mechanisms recognized by the GSE on plants operating in the renewable energy sector;
- b) release of the provision in 2022 of € 800,000 related to exit from the Aerocchetto investment;
- c) € 7,560,000 related to capital gains realized on the sale, in December 2023, of 50% of the Resol Ciminna Srl shareholding to third-party financier TI II (ITALY) 1 Srl.
- d) income recognized by a leading financial institution for the non-recourse purchase of tax credits (mainly from superbonus) used to offset indirect taxes (€ 645,000 in Repower Vendita Italia S.A. and € 752,000 in Repower Italia S.p.A.).

Production costs

Production costs amounted to € 2,935,282,000 (€ 6,526,372,000 in 2022).
A more detailed breakdown of the item is provided below:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Raw material costs (...) (B.6)	2,535,188	6,279,412	(3,744,224)	-60%
Costs for services (B.7)	359,306	186,593	172,712	93%
For use of third-party assets (B.8)	2,596	2,760	(163)	-6%
For staff (B.9)	19,224	17,051	2,173	13%
Depreciation, amortization and write-downs (B.10)	31,071	38,211	(7,140)	-19%
Change in inventories (B.11)	(23,083)	(3,802)	(19,281)	507%
Provisions for risks (B.12)	453	51	403	797%
Other provisions (B.13)	162	144	18	13%
Sundry operating expenses (B.14)	10,365	5,953	4,412	74%
Total production costs	2,935,282	6,526,372	(3,591,090)	-55%



The costs of ordinary operations are broken down as follows:

The item 'Costs for raw materials, consumables and goods' is broken down as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Power purchase	1,007,117	2.801.962	(1.794.845)	-64%
Purchasing gas	1,523,847	3.474.255	(1.950.408)	-56%
Other purchases	4,224	3.195	1.029	32%
Total cost of raw materials, consumables and goods	2,535,188	6.279.412	(3.744.224)	-60%

The costs relate 40% to electricity purchases, and 60% to gas purchases.

Gas costs should be read in conjunction with the change in inventories in 2023, as these

relate to the gas inventory. The change in costs follows the trend in sales revenue.

Commentary on the contribution margin is provided in the Report on Operations

in the performance analysis section, to which reference should be made (paragraphs 7 and 8 of the Report on Operations).

The item “Costs for services” amounting to € 359,306,000 (€ 186,593,000 in 2022) is broken down as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Energy and gas transport services	302,976	135,965	167,011	123%
Commissions payable	12,319	10,792	1,527	14%
Communication and advertising	7,071	6,709	362	5%
Plant maintenance	11,407	8,029	3,378	42%
Business Interruption (Hera)	466	465	0	0%
Services from third parties	8,919	7,761	1,158	15%
Insurance premiums	4,450	2,795	1,655	59%
Licences and Brands to the parent company	1,016	4,413	(3,397)	-77%
IT maintenance and commercial services	2,110	1,905	205	11%
IT services from the parent company	2,359	1,972	386	20%
Bank commissions, sureties, guarantees and factors	36	60	(24)	-40%
Cost (ADR) for debt collection	759	896	(136)	-15%
Staff recruitment, research and training	1,106	1,044	62	6%
Legal expertise	1,400	1,199	201	17%
Other costs and entertainment expenses	915	624	291	47%
Tax and administrative consulting	638	603	35	6%
Auditors	271	273	(2)	-1%
Utilities and telephony	287	277	10	4%
Administrative services	236	252	(16)	-6%
Travel and transfers	189	213	(24)	-11%
Supervisory body	226	227	(1)	-1%
Transport services	151	119	33	27%
Total costs for services	359,306	186,593	172,712	93%

Costs for services increased compared to the previous year, and this increase mainly refers to system charges included in distributors' invoices, which in 2023 will no longer benefit from government interventions to support end consumers.

Commissions show an increase mainly due to changes in the commission structure. In 2023 this structure provides for margin spreads on the power segment and for the support given to the sales network, supporting it within an ongoing

market context that continues to be difficult, though improved compared to 2022.

The increase in the item ‘plant maintenance’ is attributable to the GE adjustment on the extraordinary maintenance (milestone) of the Teverola power plant, which entailed higher costs than those accrued in previous years. I

n fact, inflation on materials applied to the milestone after the Russia-Ukraine conflict reached double-digit values on an annual basis in both 2022

and 2023. Insurance premiums increased compared to the previous year due to an increase in the cost of the credit policy (trade receivables insurance).

In 2023, management considered an increase in the investment in advertising compared to the year 2022, as part of an effort to increase brand visibility. It is also worth mentioning that the trademark fees IC for the years 2022 and

2021 were recognized as of 31 December 2022. In the year 2023 no provision was necessary because the conditions for payment were not met.

The item “Lease and rental costs” amounting to € 2,596,000 (€ 2,760,000 in 2022) can be broken down as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Rent payable	1,160	1,262	(102)	(8%)
Car rental fees	814	906	(91)	(10%)
Leasing and miscellaneous rentals	622	592	30	5%
Total lease and rental costs	2,596	2,760	(163)	-6%

The item ‘personnel costs’ can be broken down as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Wages and salaries	13,749	12,012	1,737	14%
Social charges	4,327	3,649	678	19%
Severance pay	622	851	(229)	-27%
Pensions	344	329	16	5%
Other costs	182	211	(30)	-14%
Total personnel costs	19,224	17,051	2,173	13%

This item increased by € 2,173,000 due to new hires during the year, as well as contingency increases.

Depreciation, amortization and write-downs” amounting to € 31,071,000 (€ 38,211,000 in 2022) is broken down as follows:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Amortization of intangible assets	4,819	4,156	662	16%
Depreciation of tangible fixed assets	20,251	19,765	487	2%
Other write-downs of fixed assets	2,945	-	2,945	0%
Write-down of receivables	3,056	14,289	(11,233)	-79%
Total depreciation and amortization	31,071	38,211	(7,140)	-19%

The change is mainly related to:

- a decrease in the provision for bad debts (€ 3,056,000) compared to the previous year (€ 14,289,000). This lower provision is due to a reduction in past due amounts compared to 2022, as commented in the section of the report on operations in the Consolidated Financial Analysis section;

Sundry operating expenses for € 10,365,000 include:

- € 7,244,000 (€ 3,297,000 in 2022) for write-offs of receivables considered non-recoverable;

- the item **Other write-downs of fixed assets, amounting to € 2,945**, referring to the write-down made on the Melfi plant under construction, following a fire in summer 2023, and the write-down made on the Varmo plant following a hailstorm, also in summer 2023. Paperwork with insurance companies is ongoing and reimbursements are expected to be settled in the second half of 2024.

- € 1,709,000 relating to membership contributions;
- € 1,166,000 related to other taxes and IMU;
- € 246,000 referring to other costs

Financial income and expenses

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
15) Income from participation	-	-	-	0%
16) Other financial income	2,888	516	2,371	459%
<i>from related companies</i>	112	76	36	47%
<i>by third parties</i>	-	-	-	0%
<i>income other than the above</i>	2,776	440	2,336	531%
17) Interest and other financial charges	(18,188)	(10,227)	(7,961)	78%
<i>toward parent companies</i>	(1,449)	(2,078)	629	-30%
<i>toward others</i>	(16,739)	(8,149)	(8,590)	105%
17bis) Foreign exchange gains and losses	(0)	(2)	1	-77%
Total financial income and expenses	(15,301)	(9,712)	(5,589)	58%

Interest to associated companies refers to interest accrued on the loan outstanding with the associated company ESE Asiago S.r.l.

The item “expenses from parent companies” refers to interest expenses relating to the credit line agreement and parent company guarantee accrued in 2023 toward parent company Repower AG.

Since the interest on the parent company guarantee credit facility granted by Repower AG is a financial expense and not a commission, this item has been included within financial expenses.

The item “interest payable to others” amounting to € 16,739,000 (€ 8,149,000 in 2022) refers to interest payable accrued on loans to third parties,

sureties and other financial charges on hedging derivatives on project financing lines.

Value adjustments on financial assets and liabilities

The table below shows the write-downs and revaluations of the item 'Value adjustments to financial assets and liabilities' as of 31 December 2023:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Revaluations	44,301	54,606	(10,304)	-19%
Write-downs	(54,159)	(86,227)	32,068	-37%
Total value adjustments of financial assets	(9,858)	(31,622)	21,763	(69%)

The balance of the item "Adjustments to financial assets and liabilities" amounting to € -9,858,000 (€ -31,622,000 in 2022) is mainly composed of the fair value of derivative financial instruments open as of 31 December 2023. The Group does not apply the hedge accounting method, but recognizes open

positions as of 31 December 2023 against income, despite the fact that they are economic hedge derivatives. Derivatives accounted for in this section by maturity relate to the fair values at of 31 December 2023 (open positions) and to derivative contracts realized during the year intended to economically-

hedge assets and liabilities whose delivery will occur in 2024.

The remainder (€ 527,000) includes the revaluation of investments in associated companies consolidated using the equity method.



Current, deferred and prepaid income taxes

Income taxes for the year

Here below, a breakdown of the balance sheet item 'Income Taxes for the Year':

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023	DEC. 31, 2022	DELTA	DELTA %
Current taxes				
IRES	849	2,528	(1.679)	-66%
IRAP	1,010	1,126	(116)	-10%
Tax loss carry-forward benefit	(475)	2,650	(3.125)	0%
Taxes relating to previous years	(485)	(3,255)	2.770	-85%
Total current taxes	899	3,048	(2.149)	(71%)
Deferred tax assets and liabilities				
IRES	(4,585)	(10,100)	5.515	-55%
IRAP	36	129	(93)	-72%
Taxes relating to previous years	(1,171)	-	1.171	0%
Total prepaid and deferred taxes	(5,720)	(9,971)	4.251	(43%)
Total taxes	(4,821)	(6,923)	2.102	(30%)

Current IRES is calculated on taxable income after tax consolidation adjustments, or on the tax loss incurred.

The total amount of IRAP was determined by subjecting the net production value, appropriately adjusted by means of the upward and downward changes provided for by tax regulations, to the rate of 3.90%.

Deferred tax assets and liabilities are recognized in the profit and loss account whenever there is an actual discrepancy between taxable income and statutory profit, due to the presence of any temporary differences.

Deferred tax assets and liabilities are recognized in the income statement in order to

represent the tax burden for the year, taking into account the tax effects of temporary differences in taxation.

Memorandum accounts

Memorandum accounts refer to risks assumed by the company for letters of patronage issued to credit and insurance institutions to guarantee the debts of subsidiaries, or to guarantees given in favor of the company for financing operations, or for the issue of commercial guarantees.

Below is the detail:

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023
Guarantees	14,529
Letters of patronage	193,048
Guarantees given in favor of third parties	26,792
Total	234,369

With regard to SET S.p.A., guarantees in the amount of € 5,131,000 were issued to Terna and ENEL for the transportation of electricity;

With regard to the company Repower Vendita Italia S.p.A., guarantees for € 21,506,000 were mainly issued to Terna for electricity transmission; and to Italgas S.p.A. and Ireti S.p.A. for gas distribution;

With reference to the guarantees of the Repower Renewable perimeter, the following should be noted:

- The guarantee issued in favor of MPS Capital Services Banca per le Imprese S.p.A. in the interest of the subsidiary ESE Armo S.r.l. was issued in co-obligation with Elettrostudio S.r.l.;
- The guarantee issued in favor of AMCO S.p.A. (formerly Veneto Banca S.p.A.) to secure a loan agreement for the Asiago cogeneration plant is indicated for the total nominal amount; the value of the guaranteed debt as of 31 December 2023 was € 4,159,000;
- Guarantees with a beneficium divisionis agreement: pursuant to OIC 22 par. 21, we point out that the guarantee granted in favor of Credito Valtellinese S.p.A. (now Credit Agricole) to guarantee the leasing contract for the Terra di Conte plant, is indicated for the pro-quota amount of € 537,000; the total amount of the guarantees granted together with the other shareholders is € 1,075,000.

The guarantee remains fixed and unchanged for the entire duration of the leasing contract. The total amount of the existing debt at the reference date was € 773,000, and the pro-rata amount was € 387,000.

Letters of comfort were issued to institutional counterparties including GME, TERNA, SNAM and TAG, and relate in the amount of € 216,530,000

to Repower Italia S.p.A., € 29,000,000 to Repower Vendita Italia S.p.A., € 6,000,000 to SET S.p.A. and € 7.5,000 to Energia Sud s.r.l.

These are issued by Repower AG in favor of the above-mentioned subsidiaries.

Further information

Employment data

The average number of employees consolidated on a line-by-line basis is shown separately by category.

HEADCOUNT (EMPLOYEES IN FORCE)	DEC. 31, 2023	DEC. 31, 2022	DELTA
REI	142	130	12
RVI	39	40	(1)
SET	29	30	(1)
Total employees	210	200	10

The group companies apply the national trade sector contract with the exception of SET S.p.A., which applies the electricity sector contract.

Remuneration of directors and members of the board of auditors

In accordance with the law, the total remuneration due members of the board of statutory auditors and the auditing firm is displayed here below.

No emoluments are foreseen for the board of directors.

DESCRIPTION (VALUES IN EURO THOUSANDS)	DEC. 31, 2023
Board of auditors	58
Legal auditing	212
Total	271

These consolidated financial statements, consisting of the balance sheet, income statement, cash flow statement and notes, give a true and fair

view of the financial position and results of operations, and correspond to the parent company's accounting records and information provided by

the companies included in the consolidation.

Summary of the financial statements of the company exercising management and coordination activities

- Pursuant to article 2497-bis (4) of the Italian Civil Code, it is noted that Repower Italia S.p.A. belongs to the Repower AG Group, a company incorporated under Swiss law, of which it is a wholly-owned subsidiary. Repower AG exercises management and coordination activities over Repower Italia S.p.A. and its subsidiaries. The parent company prepares consolidated financial statements in accordance with FER accounting principles. The results of the financial statements are as follows:

Balance sheet

VALUES CHF THOUSANDS	DEC. 31, 2023	DEC. 31, 2022
A) Receivables from shareholders for payments still due	-	-
B) Fixed assets	731,457	725,557
C) Current assets	1,353,584	2,201,483
D) Accrued income and prepaid expenses	591,486	508,654
Total assets	2,676,527	3,435,694
A) Net assets	-	-
Share capital	7,391	7,391
Reserves	650,818	684,010
Profit/loss (including profit/loss carried forward)	143,226	98,487
Total net assets	801,451	789,968
B) Provisions for risks and charges	330,107	199,892
C) Severance pay	-	-
D) Payables	929,488	1,914,178.00
E) Accrued expenses and deferred income	615,481	531,656.00
Total liabilities	2,676,527	3,435,694



Profit and Loss Account

VALUES CHF THOUSANDS	DEC. 31, 2023	DEC. 31, 2022
A) Production value	1,975,094	984,912
B) Production costs	(1,914,616)	(954,803)
C) Financial income and expenses	(4,944)	(5,774)
D) Value adjustments on financial assets	-	-
E) Extraordinary income and expenses	521	466
Income taxes for the year	(11,316)	(4,374)
Profit (loss) for the year	44,739	20,427

Annexes

- The following elements are attached to the consolidated financial statements:

ANNEX

• Movements of intangible fixed assets	(ANNEX A)
• Movement of tangible fixed assets	(ANNEX B)
• Temporary differences and related deferred taxation	(ANNEX C)
• Reconciliation of the net result and equity of the consolidating company with the respective values resulting from the consolidated financial statements	(ANNEX D)
• Movements in equity for the last two years	(ANNEX E)
• Reconciliation of theoretical and actual IRES tax burden	(ANNEX F)
• Reconciliation of theoretical and actual IRAP tax burden	(ANNEX G)

for the Board of Directors
Fabio Carlo Marcello Bocchiola



Auditor's Report



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Relazione della società di revisione indipendente sui dati e le informazioni contenute nel Bilancio Integrato 2023 richiamate nel "GRI Content Index"

Al Consiglio di Amministrazione della
Repower Italia S.p.A.

Siamo stati incaricati di effettuare un esame limitato ("limited assurance engagement") dei dati e delle informazioni contenute nel Bilancio Integrato 2023 del Gruppo Repower Italia (di seguito anche il "Gruppo") richiamate nel "GRI Content Index" relative all'esercizio chiuso al 31 dicembre 2023 (di seguito anche "Informativa GRI del Bilancio Integrato").

Responsabilità degli Amministratori per l'Informativa GRI del Bilancio Integrato

Gli Amministratori della Repower Italia S.p.A. sono responsabili per la redazione dell'Informativa GRI del Bilancio Integrato in conformità ai "Global Reporting Initiative Sustainability Reporting Standards" definiti dal GRI - Global Reporting Initiative ("GRI Standards"), come descritto nella sezione "Nota Metodologica" del Bilancio Integrato 2023.

Gli Amministratori sono altresì responsabili per quella parte del controllo interno da essi ritenuta necessaria al fine di consentire la redazione di un'Informativa GRI del Bilancio Integrato che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli Amministratori sono inoltre responsabili per la definizione degli obiettivi del Gruppo Repower Italia in relazione alla performance di sostenibilità, nonché per l'identificazione degli stakeholder e degli aspetti significativi da rendicontare.

Indipendenza della società di revisione e controllo della qualità

Siamo indipendenti in conformità ai principi in materia di etica e di indipendenza dell'International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) emesso dall'International Ethics Standards Board for Accountants, basato su principi fondamentali di integrità, obiettività, competenza e diligenza professionale, riservatezza e comportamento professionale.

La nostra società di revisione applica il Principio Internazionale sulla Gestione della Qualità 1 (ISQM Italia 1) e, di conseguenza, mantiene un sistema di controllo qualità che include direttive e procedure documentate sulla conformità ai principi etici, ai principi professionali e alle disposizioni di legge e dei regolamenti applicabili.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.600.000,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
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Responsabilità della società di revisione

È nostra la responsabilità di esprimere, sulla base delle procedure svolte, una conclusione circa la conformità dell'Informativa GRI del Bilancio Integrato rispetto a quanto richiesto dai GRI Standards. Il nostro lavoro è stato svolto secondo quanto previsto dal principio "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (di seguito anche "ISAE 3000 Revised"), emanato dall'International Auditing and Assurance Standards Board (IAASB) per gli incarichi di limited assurance. Tale principio richiede la pianificazione e lo svolgimento di procedure al fine di acquisire un livello di sicurezza limitato che l'Informativa GRI del Bilancio Integrato non contenga errori significativi.

Pertanto, il nostro esame ha comportato un'estensione di lavoro inferiore a quella necessaria per lo svolgimento di un esame completo secondo l'ISAE 3000 Revised ("reasonable assurance engagement") e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati con lo svolgimento di tale esame.

Le procedure svolte sull' Informativa GRI del Bilancio Integrato si sono basate sul nostro giudizio professionale e hanno compreso colloqui, prevalentemente con il personale della Società responsabile per la predisposizione delle informazioni presentate nell'informativa GRI del Bilancio Integrato, nonché analisi di documenti, ricalcoli ed altre procedure volte all'acquisizione di evidenze ritenute utili.

In particolare, abbiamo svolto le seguenti procedure:

1. analisi del processo di definizione dei temi rilevanti rendicontati nell'Informativa GRI del Bilancio Integrato, con riferimento alle modalità di analisi e comprensione del contesto di riferimento, identificazione, valutazione e prioritizzazione degli impatti effettivi e potenziali e alla validazione interna delle risultanze del processo;
2. comparazione tra i dati e le informazioni di carattere economico-finanziario riportati nell'Informativa GRI del Bilancio Integrato e i dati e le informazioni incluse nel bilancio consolidato del Gruppo Repower Italia;
3. comprensione dei processi che sottendono alla generazione, rilevazione e gestione delle informazioni qualitative e quantitative significative sottese all'Informativa GRI del Bilancio Integrato.

In particolare, abbiamo svolto interviste e discussioni con il personale della Direzione della Repower Italia S.p.A. e abbiamo svolto limitate verifiche documentali, al fine di raccogliere informazioni circa i processi e le procedure che supportano la raccolta, l'aggregazione, l'elaborazione e la trasmissione dei dati e delle informazioni di carattere non finanziario alla funzione responsabile della predisposizione dell'Informativa GRI del Bilancio Integrato.

Inoltre, per le informazioni significative, tenuto conto delle attività e delle caratteristiche del Gruppo:

- a livello di gruppo
- a) con riferimento alle informazioni qualitative contenute nell'Informativa GRI del Bilancio Integrato abbiamo effettuato interviste e acquisito documentazione di supporto per verificarne la coerenza con le evidenze disponibili;

- b) con riferimento alle informazioni quantitative, abbiamo svolto sia procedure analitiche che limitate verifiche per accertare su base campionaria la corretta aggregazione dei dati.
- Per la società SET S.p.A., che abbiamo selezionato sulla base della sua attività, del suo contributo agli indicatori di prestazione a livello consolidato, abbiamo effettuato interviste da remoto nel corso delle quali ci siamo confrontati con i responsabili e abbiamo acquisito riscontri documentali circa la corretta applicazione delle procedure e dei metodi di calcolo utilizzati per gli indicatori.

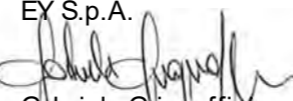
Conclusioni

Sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che l'Informativa GRI del Bilancio Integrato del Gruppo Repower Italia relativa all'esercizio chiuso al 31 dicembre 2023 non sia stata redatta, in tutti gli aspetti significativi, in conformità a quanto richiesto dai GRI Standards come descritto nel paragrafo "Nota Metodologica" del Bilancio Integrato.

Altri aspetti

I dati comparativi presentati nell'informativa GRI del Bilancio Integrato, in relazione all'esercizio chiuso il 31/12/2022, non sono stati sottoposti a verifica.

Milano, 24 aprile 2024

EY S.p.A.

Gabriele Gignaffin
(Revisore Legale)

Repower Italia S.p.A.

Bilancio consolidato al 31 dicembre 2023

Relazione della società di revisione indipendente
ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010, n. 39

Relazione della società di revisione indipendente
ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010, n. 39

All'Azionista Unico della
Repower Italia S.p.A.

Relazione sulla revisione contabile del bilancio consolidato

Giudizio

Abbiamo svolto la revisione contabile del bilancio consolidato del Gruppo Repower Italia (il Gruppo), costituito dallo stato patrimoniale al 31 dicembre 2023, dal conto economico e dal rendiconto finanziario per l'esercizio chiuso a tale data e dalla nota integrativa.

A nostro giudizio, il bilancio consolidato fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria del Gruppo al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data, in conformità alle norme italiane che ne disciplinano i criteri di redazione.

Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione Responsabilità della società di revisione per la revisione contabile del bilancio consolidato della presente relazione. Siamo indipendenti rispetto alla Repower Italia S.p.A. in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

Responsabilità degli amministratori e del collegio sindacale per il bilancio consolidato

Gli amministratori sono responsabili per la redazione del bilancio consolidato che fornisca una rappresentazione veritiera e corretta in conformità alle norme italiane che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono responsabili per la valutazione della capacità del Gruppo di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio consolidato, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio consolidato a meno che abbiano valutato che sussistono le condizioni per la liquidazione della capogruppo Repower Italia S.p.A. o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il collegio sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria del Gruppo.

Responsabilità della società di revisione per la revisione contabile del bilancio consolidato

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio consolidato nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che tuttavia non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche degli utilizzatori prese sulla base del bilancio consolidato.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio consolidato, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti od eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze, e non per esprimere un giudizio sull'efficacia del controllo interno del Gruppo;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli amministratori e della relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità del Gruppo di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che il Gruppo cessi di operare come un'entità in funzionamento;
- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio consolidato nel suo complesso, inclusa l'informativa, e se il bilancio consolidato rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.
- abbiamo acquisito elementi probativi sufficienti e appropriati sulle informazioni finanziarie delle imprese o delle differenti attività economiche svolte all'interno del Gruppo per esprimere un giudizio sul bilancio consolidato. Siamo responsabili della direzione, della supervisione e dello svolgimento dell'incarico di revisione contabile del Gruppo. Siamo gli unici responsabili del giudizio di revisione sul bilancio consolidato.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dai principi di revisione internazionali (ISA Italia), tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

Relazione su altre disposizioni di legge e regolamentari

Giudizio ai sensi dell'art. 14, comma 2, lettera e), del D. Lgs. 27 gennaio 2010, n. 39

Gli amministratori della Repower Italia S.p.A. sono responsabili per la predisposizione della relazione sulla gestione del Gruppo Repower Italia al 31 dicembre 2023, inclusa la sua coerenza con il relativo bilancio consolidato e la sua conformità alle norme di legge.

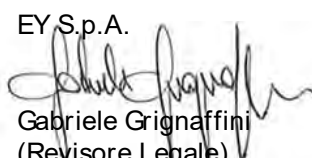
Abbiamo svolto le procedure indicate nel principio di revisione (ISA Italia) n. 720B al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio consolidato del Gruppo Repower Italia al 31 dicembre 2023 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio consolidato del Gruppo Repower Italia al 31 dicembre 2023 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'art. 14, c.2, lettera e), del D. Lgs. 27 gennaio 2010, n. 39, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

Milano, 24 aprile 2024

EY S.p.A.



Gabriele Grignaffini
(Revisore Legale)



Annexes to the Management Report

Financial annexes

Annex A

Changes in intangible fixed assets

FIGURES IN € THOUSANDS	START-UP AND EXPANSION COSTS	LICENCES / TRADEMARKS / SOFTWARE	START-UP	INTANGIBLE FIXED ASSETS IN PROGRESS	OTHER INTANGIBLE FIXED ASSETS	TOTAL
Historical cost	7	23,297	8,218	2,569	2,991	37,082
Initial depreciation fund	(5)	(14,327)	(4,370)	-	(2,097)	(20,798)
Initial value	2	8,971	3,848	2,569	894	16,284
Increases for acquisitions and transfers	-	3,126	42%	1,499	23	4,647
RGP entry into the consolidation perimeter			-		1,500	1,500
Transition to finished	-			0	-	0
Asset disposal	-	(649)	-		-	(649)
Divestment depreciation	-	(0)	-	-	-	(0)
Depreciation for the year	(1)	(3,283)	-	-	(747)	(4,320)
Change period	(1)	(807)	(290)	1,499	776	1,178
Historical cost	7	25,774	8,218	4,068	4,514	42,580
Final depreciation provision	(6)	(17,610)	(4,660)	-	(2,844)	(25,119)
Final value	1	8,164	3,558	4,068	1,670	17,461

Annex B

Changes in tangible fixed assets

FIGURES IN € THOUSANDS	LAND AND BUILDINGS	PLANT AND MACHINERY	OTHER ASSETS	ASSETS UNDER CONSTRUCTION	TOTAL
Historical cost	48,814	416,744	21,699	13,763	501,020
Initial depreciation fund	(11,311)	(212,842)	(12,385)	(4,776)	(241,314)
Initial value	37,503	203,902	9,314	8,988	259,706
Increases for acquisitions	2,559	1,069	1,168	16,734	21,532
Passage to finished	-	5,047		(5,047)	-
Write-down		(355)		(2,590)	(2,945)
Decommissioning	-	(590)		(2,870)	(3,460)
Elimination of depreciation	-			-	-
Depreciation for the year	(958)	(18,595)	(930)	-	(20,483)
Change period	1,601	(13,424)	238	6,227	(5,357)
Historical cost	51,373	421,854	22,871	19,991	516,089
Final depreciation provision	(12,269)	(231,454)	(13,315)	(4,776)	(261,813)
Final value	39,104	190,401	9,556	15,215	254,276

Annex C

Statement of description of temporary differences

FIGURES IN € THOUSANDS	DECEMBER 2023	DECEMBER 2022	DELTA	BY	BEYOND
Provision for risks	1,627	6,668	(5,041)	0	1,627
Write-down of projects and fixed assets	17,774	15,698	2,076	-	17,775
Provision for bad debts	6,265	6,022	244	4,874	1,392
Tax losses	15,351	10,168	5,183	2,097	13,254
Excess non-deductible interest expenses	1,616	680	936	1,616	-
Decommissioning fund	311	223	88	175	136
Employee bonuses	342	179	163	342	-
Derivatives	(1,069)	(1,832)	763	(353)	(716)
More	925	919	7	925	-
Total prepaid taxes	43,142	38,723	4,419	9,676	33,467
Consolidation difference on projects	5,246	7,474	(2,229)	5,246	-
More	6	6	-	6	-
Total deferred taxes	5,252	7,480	(2,229)	5,252	-

Annex D

Reconciliation statement between the net result and the net equity of the consolidating company and the respective values resulting from
the consolidate financial statements

FIGURES IN € THOUSANDS	BUDGET CLASSIFICATION	NET ASSETS 2023	RESULT 2023	
Equity and result of the parent company		84,934	(13,221)	A
Premium attributed to Repower Sale following first consolidation	Start-up	-	-	
Gain attributed as part of the acquisition of Elettrostudio Energia upon first consolidation	Start-up	1,065	(220)	
	Production facilities	12,584	(848)	
	Deferred taxes	(3,511)	237	
Teverola plant write-down	Production facilities	(46,135)	3,200	
	Deferred tax assets	13,382	(927)	
Elimination of onerous contract fund between Repower Italy and SET (PPA)	Provisions for risks and charges	28,683	(1,990)	
	Deferred tax assets	(8,003)	555	
Leasing accounting according to the financial method	Other Intangible	(1,256)	76	
	Payables to other financiers	(4,716)	762	
	Production facilities	7,174	(168)	
	Land and buildings	(736)	34	
	Prepaid expenses	(1,085)	-	
Reversal of ICO goodwill - from previous extraordinary transactions	Start-up	(15,823)	2,396	
Valuation of companies consolidated by the equity method	Associated companies	244	(559)	
Capital gains recognition 2020	Production facilities	17,557	(1,498)	
	Deferred taxes	(1,734)	150	
	Tax debts	(1,523)	-	
Reversal of SET depreciation	Production facilities	2,309	-	
Ciminna and Ghislarengo reversal of surplus value	Goodwill	(2,603)	(2,603)	
	Joint ventures	(7,560)	(7,560)	
Reversal of RGP fund	Provisions for risks and charges	549	549	
Total consolidation entries		(11,137)	(8,415)	B
Load value of consolidated		303,171	19,779	
Elimination of participations		(197,525)	(799)	
Difference between book value and equity value, and results of consolidated companies		105,646	18,979	C
Shareholders' equity and consolidated result for the year		179,444	(2,656)	A+B+C
Shareholders' equity and result for the year pertaining to the group		113,790	(8,559)	
Shareholders' equity and result for the year attributable to minority interests		65,653	5,902	

Annex E

Statement of changes in net assets

FIGURES IN € THOUSANDS	SHARE CAPITAL	OTHER RESERVES SHAREHOLDER PAYMENTS	OTHER RESERVES	EXPECTED CASH FLOW RESERVE	LEGAL RESERVE	RETAINED EARNINGS (LOSSES)	RESULT FOR THE YEAR	GROUP SHAREHOLDERS' EQUITY	CAPITAL AND RESERVES OF THIRD PARTIES	THIRD-PARTY OPERATING RESULT	MINORITY SHAREHOLDERS' EQUITY	CONSOLIDATED SHAREHOLDERS' EQUITY
31 December 2021	2,000	56,829	74,724	(1,221)	2,100	3,896	45,028	183,356	55,712	3,119	58,832	242,188
Allocation of previous year's result	-	-	-	-	-	45,028	45,028	-	3,119	(3,119)	-	-
Comer devaluation	-	-	-	-	-	695	-	695	(1,602)	-	1,602	(907)
Cash flow hedge reserve	-	-	-	7,828	-	-	-	7,828	-	-	-	7,828
Current year result	-	-	-	-	-	-	29,325	29,325	-	2,601	2,601	(26,724)
Shareholders' contributions on capital account	-	-	-	-	-	-	-	-	-	-	-	-
31 December 2022	2,000	56,829	74,724	6,607	2,100	49,619	(29,325)	162,553	57,230	2,602	59,831	222,385
Allocation of previous year's result	-	-	-	-	-	(29,325)	29,325	-	2,601	(2,601)	-	-
Dividend payment	-	-	-	-	-	(36,821)	-	(37,500)	-	-	-	-
Cash flow hedge reserve	-	-	(679)	-	-	-	-	(2,705)	-	-	-	(37,500)
More	-	-	-	(2,705)	-	-	-	-	80	-	80	(2,705)
Current year result	-	-	-	-	-	-	(8,559)	(8,559)	-	5,902	5,902	(80)
Shareholders' contributions on capital account	-	-	-	-	-	-	-	-	-	-	-	(2,656)
31 December 2023	2,000	56,829	74,045	3,902	2,100	(16,528)	(8,559)	113,790	59,751	5,902	65,653	179,444

Annex F

Reconciliation statement between actual tax burden and theoretical IRES tax burden

IRES				DECEMBER 2023
Statutory profit before tax				2,456
Theoretical tax burden	Theoretical rate	24.00%		589
Temporary differences taxable in subsequent years				5,360
Temporary differences deductible in subsequent years				(5,173)
Charges attributed to tax consolidation				0
Permanent differences that will not be reversed in subsequent years				0
- Increases				1,516
- Decreases				(21,994)
Adjustments from previous years' tax returns				(2,116)
Utilization of previous years' losses				(2,320)
Loss not absorbed by CNM and carried forward				15,651
ACE				(721)
Total increases and decreases, temporary and deferred				(9,796)
Taxable income				(7,340)
IRES	Effective rate	1.81%		(133)

Annex G

Reconciliation statement between actual tax charge and theoretical IRAP tax charge

IRAP				DECEMBER 2023
Difference between value and cost of production				25,880
Costs not relevant for IRAP purposes				3,259
Costs not relevant for IRAP purposes (financial income and charges - holding and subholding companies ONLY)				0
Gross production value				29,140
Theoretical tax burden		Theoretical rate	4.51%	1,315
Temporary differences taxable in subsequent years				2,253
Temporary differences deductible in subsequent years				(3,272)
Reversal of temporary differences from previous years				0
Decreases				49
Increases				0
Permanent differences that will not be reversed in subsequent years				560
Increases				9,263
Decreases				(2,362)
Other deductions relevant for IRAP purposes				(18,029)
Total increases and decreases, temporary and deferred				(11,539)
Taxable IRAP				17,601
IRAP		Effective rate	5.86%	1,032

GRI Content Index

■ **Declaration of use:** Repower Italy has reported in accordance with GRI Standards for the reporting period shown in the “Methodological Note,” using GRI 1 - Fundamental Principles - version 2021.

GRI	INDICATOR SPECIFICATION	PARAGRAPH	NOTES	OMISSIONS
GRI 2 - GENERAL DISCLOSURE				
2-1	Organization details	Methodological Note; Repower Group at a glance		
2-2	Entities included in the organization's sustainability report	Methodological Note; Repower Group at a glance		
2-3	Reporting period, frequency and contacts	Methodological Note; Repower Group at a glance		
2-4	Redetermination of information	Methodological Note; Repower Group at a glance	<i>Any restatements of information from previous reporting periods are noted within the text.</i>	
2-5	External assurance	Auditor's Report		
2-6	Activities, value chain and other business relations	The Value Chain		
2-7	Employees	The heart of sustainability beats through the growth of human resources; GRI Annex Tables		
2-8	Non-employees	The heart of sustainability beats through the growth of human resources	<i>Information not available and/or incomplete with respect to the amount and detail of information requested. (Item was not monitored.)</i>	
2-9	Governance structure and composition	Corporate Governance; Ethical Management		
2-10	Appointment and selection of the highest governing body	Corporate Governance; Ethical Management		
2-11	President of the highest governing body	Corporate Governance; Ethical Management		
2-12	Role of the highest governing body in overseeing impact management	Corporate Governance; Ethical Management		
2-13	Delegation of responsibility for impact management	Methodological Note; Corporate Governance Ethical Management		

GRI	INDICATOR SPECIFICATION	PARAGRAPH	NOTES	OMISSIONS
2-14	Role of the highest governing body in sustainability reporting	Methodological Note; Corporate Governance; Ethical Management		
2-15	Conflicts of interest	Ethical management		
2-16	Communication of Critical Concerns	Methodological Note		
2-17	Collective knowledge of the highest governing body	The Materiality Analysis; The Strategic Sustainability Plan; Ethical Management		
2-18	Performance evaluation of the highest governing body in the ESG area	The heart of sustainability beats through the growth of human resources		
2-19	Remuneration policies	Ethical management; The heart of sustainability beats through the growth of human resources; Explanatory notes		
2-20	Remuneration determination process	Ethical management; The heart of sustainability beats through the growth of human resources; Explanatory notes		
2-21	Annual total compensation ratio	The heart of sustainability beats through the growth of human resources		
2-22	Sustainable Development Strategy Statement	The Strategic Sustainability Plan		
2-23	Policy commitments	Ethical management; Ethical sustainability linking the entire supply chain		
2-24	Integration of policy commitments	Ethical management; Ethical sustainability linking the entire supply chain		
2-25	Processes to remedy negative impacts	Sustainability pillars		
2-26	Mechanisms for seeking advice and raising concerns about business conduct	Methodological Note; Ethical Management		
2-27	Compliance with laws and regulations	Methodological Note; Ethical Management	<i>No incidents of non-compliance with laws and regulations were found for the reported perimeter</i>	
2-28	Membership of associations	Giving substance to social commitment in the community		
2-29	Approach to stakeholder engagement	Methodological Note; Ethical Management		
2-30	Collective Bargaining Agreements	Health, safety, welfare: when the value of the person comes first		

GRI	INDICATOR SPECIFICATION	PARAGRAPH	NOTES	OMISSIONS
GRI 3 - MATERIAL THEMES				
3-1	Process for determining material topics	Materiality Analysis		
3-2	List of material topics	Materiality Analysis		
3-3	Management of material topics	Materiality Analysis; The Strategic Sustainability Plan; Ethical Management		
ECONOMIC PERFORMANCE				
3-3	Management of the material theme	Value creation at Repower: history, figures and ... much care		
GRI 201 - ECONOMIC PERFORMANCE (2021)				
201-1	Directly generated and distributed economic value	Economic Value Generated and Distributed		
BUSINESS ETHICS AND INTEGRITY				
3-3	Management of the material theme	Sustainability pillars: the steps of integrated materiality		
GRI 205 - ANTI-CORRUPTION (2021)				
205-1	Operations assessed for corruption risks	Ethical management		
205-3	Established incidents of corruption and actions taken	Ethical management		
ENERGY TRANSITION				
3-3	Management of the material theme	Environmental Responsibility		
GRI 302 - ENERGY (2021)				
302-1	Internal energy consumption within the organisation	A production park geared towards innovation		
302-2	Energy consumption outside the organisation	A production park geared towards innovation		
302-3	Energy intensity	A production park geared towards innovation		
302-5	Reducing the energy requirements of products and services	A production park geared towards innovation		
WATER USE				
3-3	Management of the material theme	Proper waste management and water consumption		

GRI	INDICATOR SPECIFICATION	PARAGRAPH	NOTES	OMISSIONS
GRI 303 - WATER AND TRIBUTARIES (2021)				
303-1	Interaction with water as a shared resource	Proper waste management and water consumption		
303-2	Management of water discharge impacts	Proper waste management and water consumption		
303-3	Water withdrawal	Proper waste management and water consumption	<i>In reference to the Teverola power plant.</i>	
303-4	Water drainage	Proper waste management and water consumption	<i>In reference to the Teverola power plant.</i>	
303-5	Water consumption	Proper waste management and water consumption	<i>In reference to the Teverola power plant.</i>	
BIODIVERSITY CHANGE				
3-3	Management of the material theme	Ongoing respect for the environment		
GRI 304 - BIODIVERSITY (2021)				
304-1	Operational sites owned, leased or managed in or near protected areas and areas of high biodiversity value outside protected areas	Ongoing respect for the environment		
ENERGY TRANSITION				
3-3	Management of the material theme	2023 Greenhouse gas emission inventory		
GRI 305 - EMISSIONS (2021)				
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	2023 Greenhouse gas emission inventory		
305-2	Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	2023 Greenhouse gas emission inventory		
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	2023 Greenhouse Gas Emissions Inventory		
305-4	Intensity of greenhouse gas (GHG) emissions	2023 Greenhouse gas emission inventory		
SAFETY, HEALTH AND WELL-BEING				
3-3	Management of the material theme	Health, safety, welfare: when the value of the person comes first		
GRI 403 - HEALTH AND SAFETY AT WORK (2021)				
403-1	Occupational Health and Safety Management System	Health, safety, welfare: when the value of the person comes first		

GRI	INDICATOR SPECIFICATION	PARAGRAPH	NOTES	OMISSIONS
403-2	Hazard identification, risk assessment and accident investigation	Health, safety, welfare: when the value of the person comes first		
403-3	Occupational Health Services	Health, safety, welfare: when the value of the person comes first		
403-4	Worker participation and consultation on occupational health and safety programmes and related communication	Health, safety, welfare: when the value of the person comes first		
403-5	Worker training on occupational health and safety	Health, safety, welfare: when the value of the person comes first; At a 'school of the future' to better read and interpret the present		
403-6	Workers' health promotion	Health, safety, welfare: when the value of the person comes first		
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	Health, safety, welfare: when the value of the person comes first		
403-8	Workers covered by an occupational health and safety management system	Health, safety, welfare: when the value of the person comes first; A production park geared towards innovation		
403-9	Accidents at work	Health, safety, welfare: when the value of the person comes first		
RECRUITMENT AND PERSONAL DEVELOPMENT				
3-3	Management of the material theme	The heart of sustainability beats through the growth of human resources		
GRI 401 - EMPLOYMENT (2021)				
401-1	Recruitment of new employees and employee turnover	The heart of sustainability beats through the growth of human resources		
401-2	Benefits for full-time employees that are not available to fixed-term or part-time employees	The heart of sustainability beats through the growth of human resources; Health, safety, welfare: when the value of the person comes first		
GRI 404 - TRAINING AND EDUCATION (2021)				
404-1	Average number of training hours per year per employee	A 'school of the future' as a way to better interpret the present		
404-2	Employee skills upgrading and transition assistance programmes	A 'school of the future' as a way to better interpret the present		

GRI	INDICATOR SPECIFICATION	PARAGRAPH	NOTES	OMISSIONS
404-3	Percentage of employees receiving regular appraisals of their performance and professional development	Ethical management		
INCLUSION, DIVERSITY AND NON-DISCRIMINATION				
3-3	Management of the material theme	Inclusion, accessibility and mixing: Repower's D&I mosaic		
GRI 405 - DIVERSITY AND EQUAL OPPORTUNITIES (2021)				
405-1	Diversity in governance bodies and among employees	The heart of sustainability beats through the growth of human resources; Inclusion, accessibility and mixing: Repower's D&I mosaic		
GRI 406 - NON-DISCRIMINATION (2021)				
406-1	Incidents of discrimination and corrective measures taken	Inclusion, accessibility and mixing: Repower's D&I mosaic		
INVOLVEMENT OF STAKEHOLDERS AND THE LOCAL COMMUNITY				
3-3	Management of the material theme	Ethical sustainability linking the entire supply chain		
GRI 408 - CHILD LABOUR				
408-1	Activities and suppliers at significant risk of child labour incidents	Ethical sustainability linking the entire supply chain		
GRI 413 - LOCAL COMMUNITIES (2021)				
413-1	Operations with local community involvement, impact assessments and development programmes	Giving substance to social commitment in the community		

Connection tables ESG Framework

GRI	INDICATOR SPECIFICATION	ESRS
GRI 2 - GENERAL DISCLOSURE		
2-1	Organization details	
2-2	Entities included in the organization's sustainability report	ESRS 1 5.1; ESRS 2 BP-1 §5 (a) and (b) i
2-3	Reporting period, frequency and contacts	ESRS 1 §73
2-4	Redetermination of information	ESRS 2 BP-2 §13, §14 (a) to (b)
2-5	External assurance	See external assurance requirements of Directive (EU) 2022/2464
2-6	Activities, value chain and other business relations	ESRS 2 SBM-1 §40 (a) i to (a) ii, (b) to (c), §42 (c)
2-7	Employees	ESRS 2 SBM-1 §40 (a) iii; ESRS S1 S1-6 §50 (a) to (b) and (d) to (e), §51 to §52
2-8	Non-employees	ESRS S1 S1-7 §55 to §56
2-9	Governance structure and composition	ESRS 2 GOV-1 §21, §22 (a), §23; ESRS G1 §5 (b) See also corporate governance statement requirements of Directive 2013/34/EU for public interest entities
2-10	Appointment and selection of the highest governing body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16
2-11	President of the highest governing body	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16
2-12	Role of the highest governing body in overseeing impact management	ESRS 2 GOV-1 §22 (c); GOV-2 §26 (a) to (b); SBM-2 §45 (d); ESRS G1 §5 (a)
2-13	Delegation of responsibility for impact management	ESRS 2 GOV-1 §22 (c) i; GOV-2 §26 (a); ESRS G1 G1-3 §18 (c)
2-14	Role of the highest governing body in sustainability reporting	ESRS 2 GOV-5 §36; IRO-1 §53 (d)
2-15	Conflicts of interest	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16
2-16	Communication of critical concerns	ESRS 2 GOV-2 §26 (a); ESRS G1 G1-1 AR 1 (a); G1-3 §18 (c)
2-17	Collective knowledge of the highest governing body	ESRS 2 GOV-1 §23
2-18	Performance evaluation of the highest governing body in the ESG area	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.

GRI	INDICATOR SPECIFICATION	ESRS
2-19	Remuneration policies	ESRS 2 GOV-3 §29 (a) to (c); ESRS E1 §13 See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings
2-20	Remuneration determination process	ESRS 2 GOV-3 §29 (e) See also remuneration report requirements of Directive (EU) 2017/828 for listed undertakings
2-21	Annual total compensation ratio	ESRS S1 S1-16 §97 (b) to (c)
2-22	Sustainable development strategy statement	ESRS 2 SBM-1 §40 (g)
2-23	Policy commitments	ESRS 2 GOV-4; MDR-P §65 (b) to (c) and (f); ESRS S1 S1-1 §19 to §21, and §AR 14; ESRS S2 S2-1 §16 to §17, §19, and §AR 16; ESRS S3 S3-1 §14, §16 to §17 and §AR 11; ESRS S4 S4-1 §15 to §17, and §AR 13; ESRS G1 G1-1 §7 and §AR 1 (b)
2-24	Integration of policy commitments	ESRS 2 GOV-2 §26 (b); MDR-P §65 (c); ESRS S1 S1-4 §AR 35; ESRS S2 S2-4 §AR 30; ESRS S3 S3-4 §AR 27; ESRS S4 S4-4 §AR 27; ESRS G1 G1-1 §9 and §10 (g)
2-25	Processes to remedy negative impacts	ESRS S1 S1-1 §20 (c); S1-3 §32 (a), (b) and (e), §AR 31; ESRS S2 S2-1 §17 (c); S2-3 §27 (a), (b) and (e), §AR 26; S2-4 §33 (c); ESRS S3 S3-1 §16 (c); S3-3 §27 (a), (b) and (e), §AR 23; S3-4 §33 (c); ESRS S4 S4-1 §16 (c); S4-3 §25 (a), (b) and (e), §AR 23; S4-4 §32 (c)
2-26	Mechanisms for seeking advice and raising concerns about business conduct	ESRS S1 S1-3 §AR 32 (d); ESRS S2 S2-3 §AR 27 (d); ESRS S3 S3-3 §AR 24 (d); ESRS S4 S4-3 §AR 24 (d); ESRS G1 G1-1 §10 (a); G1-3 §18 (a)
2-27	Compliance with laws and regulations	ESRS 2 SMB-3 §48 (d); ESRS E2 E2-4 §AR 25 (b); ESRS S1 S1-17 §103 (c) to (d) and §104 (b); ESRS G1 G1-4 §24 (a)
2-28	Membership of associations	Political engagement' is a sustainability matter for G1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entity-specific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
2-29	Approach to stakeholder engagement	ESRS 2 SMB-2 §45 (a) i to (a) iv; ESRS S1 S1-1 §20 (b); S1-2 §25, §27 (e) and §28; ESRS S2 S2-1 §17 (b); S2-2 §20, §22 (e) and §23; ESRS S3 S3-1 §16 (b); S3-2 §19, §21 (d) and §22; ESRS S4 S4-1 §16 (b); S4-2 §18, §20 (d) and §21
2-30	Collective bargaining agreements	ESRS S1 S1-8 §60 (a) and §61
GRI 3 - MATERIAL THEMES		
3-1	Process for determining material themes	ESRS 2 BP-1 §AR 1 (a); IRO-1 §53 (b) ii to (b) iv
3-2	List of material topics	ESRS 2 SBM-3 §48 (a) and (g)

GRI	INDICATOR SPECIFICATION	ESRS
3-3	Management of material topics	ESRS 2 SBM-1§ 40 (e); SBM-3 §48 (c) i and (c) iv; MDR-P, MDRA, MDR-M, and MDR-T; ESRS S1 S1-2 §27; S1-4 §39 and AR 40 (a); S1-5 §47 (b) to (c); ESRS S2 S2-2 §22; S2-4 §33, §AR 33 and §AR 36 (a); S2-5 §42 (b) to (c); ESRS S3 S3-2 §21; S3-4 §33, §AR 31, §AR 34 (a); S3-5 §42 (b) to (c); ESRS S4 S4-2 §20, S4-4 §31, §AR 30, and §AR 33 (a); S4- 5 §41 (b) to (c)
ECONOMIC PERFORMANCE		
3-3	Management of the material theme	
GRI 201 - ECONOMIC PERFORMANCE (2021)		
201-1	Directly-generated and -distributed economic value	This topic is not covered by the list of sustainability matters in ESRS 1 AR §16.
BUSINESS ETHICS AND INTEGRITY		
3-3	Management of the material theme	ESRS G1 G1-1 §7; G1-3 §16 and §18 (a) and §24 (b)
GRI 205 - ANTI-CORRUPTION (2021)		
205-1	Operations assessed for corruption risks	ESRS G1 G1-3 §AR 5
205-3	Established incidents of corruption and actions taken	ESRS G1 G1-4 §25
ENERGY TRANSITION		
3-3	Management of the material theme	ESRS E1 E1-2 §25 (c) to (d); E1-3 §26; E1-4 §33
GRI 302 - ENERGY (2021)		
302-1	Internal energy consumption within the organization	ESRS E1 E1-5 §37; §38; §AR 32 (a), (c), (e) and (f)
302-2	Energy consumption outside the organization	Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
302-3	Energy intensity	ESRS E1 E1-5 §40 to §42
302-5	Reducing the energy requirements of products and services	Energy' is a sustainability matter for E1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
WATER USE		
3-3	Management of the material theme	ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20; ESRS E3 E3-1 §9; E3-2 §15, §17 to §18; E3-3 §20
GRI 303 - WATER AND TRIBUTARIES (2021)		
303-1	Interaction with water as a shared resource	ESRS 2 SBM-3 §48 (a); MDR-T §80 (f); ESRS E3 §8 (a); §AR 15 (a); E3-2 §15, §AR 20

GRI	INDICATOR SPECIFICATION	ESRS
303-2	Management of water discharge impacts	ESRS E2 E2-3 §24
303-3	Water withdrawal	Water withdrawals' is a sustainability matter for E3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M
303-4	Water drainage	Water discharges' is a sustainability matter for E3 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
303-5	Water consumption	ESRS E3 E3-4 §28 (a), (b), (d) and (e)
BIODIVERSITY CHANGE		
3-3	Management of the material theme	ESRS E4 E4-1 §AR 1 (b) and (d); E4-2 §20 and §22; E4-3 §25 and §28 (a); E4-4 §29
GRI 304 - BIODIVERSITY (2021)		
304-1	Operational sites owned, leased or managed in or near protected areas and areas of high biodiversity value outside protected areas	ESRS E4 §16 (a) i; §19 (a); E4-5 §35
ENERGY TRANSITION		
3-3	Management of the material theme	ESRS E1 E1-2 §22; E1-3 §26; E1- 4 §33 and §34 (b); E1-7 §56 (b) and §61 (c); ESRS E2 §AR 9 (b); E2-1 §12; E2-2 §16 and §19; E2-3 §20
GRI 305 - EMISSIONS (2021)		
305-1	Direct GHG (greenhouse gas) emissions (Scope 1)	ESRS E1 E1-4 §34 (c); E1-6 §44 (a); §46; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; AR §43 (c) to (d)
305-2	Indirect GHG (greenhouse gas) emissions from energy consumption (Scope 2)	ESRS E1 E1-4 §34 (c); E1-6 §44 (b); §46; §49; §50; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 40; §AR 45 (a), (c), (d), and (f)
305-3	Other indirect GHG (greenhouse gas) emissions (Scope 3)	ESRS E1 E1-4 §34 (c); E1-6 §44 (c); §51; §AR 25 (b) and (c); §AR 39 (a) to (d); §AR 46 (a) (i) to (k)
305-4	Intensity of GHG (greenhouse gas) emissions	ESRS E1 E1-6 §53; §54; §AR 39 (c); §AR 53 (a)
SAFETY, HEALTH AND WELLBEING		
3-3	Management of the material theme	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2- 2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
GRI 403 - HEALTH AND SAFETY AT WORK (2021)		

GRI	INDICATOR SPECIFICATION	ESRS
403-1	Occupational health and safety management system	ESRS S1 S1-1 §23
403-2	Hazard identification, risk assessment and accident investigation	ESRS S1 S1-3 §32 (b) and §33
403-3	Occupational health services	Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
403-4	Worker participation and consultation on occupational health and safety programs and related communication	Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
403-5	Worker training on occupational health and safety	Health and safety' and 'Training and skills development' are sustainability matters for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M.
403-6	Workers' health promotion	Social protection' is a sustainability matter for S1 covered by ESRS 1 §AR 16. Hence this GRI disclosure is covered by MDR-P, MDR-A, MDR-T, and/or as an entityspecific metric to be disclosed according to ESRS 1 §11 and pursuant to MDR-M
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	ESRS S2 S2-4 §32 (a)
403-8	Workers covered by an occupational health and safety management system	ESRS S1 S1-14 §88 (a); §90
403-9	Accidents at work	ESRS S1 S1-4, §38 (a); S1-14 §88 (b) and (c); §AR 82
RECRUITMENT AND PERSONAL DEVELOPMENT		
3-3	Management of the material theme	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2- 2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
GRI 401 - EMPLOYMENT (2021)		
401-1	Recruitment of new employees and employee turnover	ESRS S1 S1-6 §50 (c)
401-2	Benefits for full-time employees that are not available to fixed-term or part-time employees	ESRS S1 S1-11 §74; §75; §AR 75
GRI 404 - TRAINING AND EDUCATION (2021)		

GRI	INDICATOR SPECIFICATION	ESRS
404-1	Average number of training hours per year per employee	ESRS S1 S1-13 §83 (b) and §84
404-2	Employee skills upgrading and transition assistance programs	ESRS S1 S1-1 §AR 17 (h)
404-3	Percentage of employees receiving regular appraisals of their performance and professional development	ESRS S1 S1-13 §83 (a) and §84
304-1	Owned, leased or managed operational sites in protected areas and in areas of high biodiversity value outside or close to protected areas	ESRS E4 §16 (a) i; §19 (a); E4-5 §35
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	ESRS S2 S2-4 §32 (a)
INCLUSION, DIVERSITY AND NON-DISCRIMINATION		
3-3	Management of the material theme	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2- 2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
GRI 405 - DIVERSITY AND EQUAL OPPORTUNITIES (2021)		
405-1	Diversity in governance bodies and among employees	ESRS 2 GOV-1 §21 (d); ESRS S1 S1-6 §50 (a); S1-9 §66 (a) to (b); S1-12 §79
GRI 406 - NON-DISCRIMINATION (2021)		
406-1	Incidents of discrimination, and corrective measures taken	ESRS S1 S1-17 §97, §103 (a), §AR 103
INVOLVEMENT OF STAKEHOLDERS AND THE LOCAL COMMUNITY		
3-3	Management of the material theme	ESRS S1 S1-1 §17; §20 (c); S1-2 §27; S1-4 §38; §39; §AR 40 (a); S1-5 §44; §47 (b) and (c); ESRS S2 §11 (c); S2-1 §14; §17 (c); S2- 2 §22; S2-4 §32; §33 (a) and (b); §36; §AR 33; §AR 36 (a); S2-5 §39, §42 (b) and (c)
GRI 408 - CHILD LABOR		
408-1	Activities and suppliers at significant risk of child labor incidents	ESRS S1 §14 (g); S1-1 §22 ESRS S2 §11 (b); S2-1 §18
GRI 413 - LOCAL COMMUNITIES (2021)		
413-1	Operations with local community involvement, impact assessments and development programs	ESRS S3 S3-2 §19; S3-3 §25; S3- 4 §AR 34 (c)

GRI Annex Tables

DESCRIPTION THEMES	IMPACTS	DESCRIPTION OF RISKS / OPPORTUNITIES	
ENERGY TRANSITION			
<p>The energy transition refers to a fundamental change in the way energy is produced, distributed and used. The main objective of the energy transition is to reduce dependence on traditional energy sources, such as fossil fuels (coal, oil, natural gas), and to switch to cleaner, renewable and energy-efficient energy sources.</p> <p>For Repower, this mainly involves investments in the expansion of renewable energies, in particular hydroelectric power stations and photovoltaic and wind power plants. In a broader sense, the energy transition also includes expansion of the electricity grid, the development of digitalization and contributions to electrification.</p>	<p>Repower contributes implementing the energy transition through investments, thereby supporting the advancement of electrification and decarbonization. However, the production of renewable energy, such as hydropower and wind power, can also generate negative impacts, such as increased demand for rare metals, increased land consumption and alteration of the landscape.</p>	<p>RISKS</p> <p>The integration of more renewable energy into the electricity grid can create challenges in terms of managing the variability and intermittency of certain sources, such as solar and wind power. In addition, the expansion of renewable energy can pose a reputational risk for Repower if the necessary assessments of the impacts on ecosystems and the local population are not carried out.</p>	<p>OPPORTUNITIES</p> <p>By generating electricity from renewable sources, Repower is able to meet the growing demand for sustainably-generated electricity. Repower can also benefit from renewable energy incentive programs. In addition, the energy transition is creating new business opportunities.</p>
CLIMATE CHANGE			
<p>The combustion of fossil fuels such as coal, oil and gas results in the emission of greenhouse gases that contribute to global warming. This issue also involves greenhouse gas emissions generated in the process of energy production and other steps in the supply chain (e.g. emissions generated in the production of solar panels). This issue also involves greenhouse gas emissions generated in the energy production process and other stages of the supply chain (e.g. emissions generated in the production of solar panels).</p>	<p>Repower's gas-steam combined cycle power plant contributes to greenhouse gas emissions during its operation. However, the company actively contributes to climate change mitigation by generating electricity from renewable sources that do not generate CO₂ emissions during the generation process. It is important to note that even though Repower is committed to reducing CO₂ emissions in its generation process, emissions still occur in the upstream and downstream supply chain. For example (in energy supply), in the production of construction materials and machinery needed for power plants, or in the production of solar panels. To tackle these emissions, Repower adopts innovative solutions in the area of smart meters and electric mobility, promoting electrification and energy efficiency. In addition, the company implements conscious purchasing and procurement management to reduce its overall environmental impact. In this way, Repower actively works to protect the climate within its downstream value chain.</p>	<p>RISKS</p> <p>Climate change is leading to the retreat of glaciers and a change in precipitation patterns. These phenomena pose a challenge to the operation and profitability of Repower's hydropower plants. It is essential for Repower to pursue an energy transition to low-carbon sources in a timely manner. Slow action in decarbonizing power generation could lead to regulatory risks and costs associated with acquiring CO₂ certificates. This could make the operation of Repower's gas-steam combined cycle power plant less profitable from an economic perspective, and also entail a risk to the company's reputation.</p>	<p>OPPORTUNITIES</p> <p>New revenue-generating opportunities are emerging for Repower through the commercialization of renewable energy, the adoption of e-mobility, expansion of the electricity grid and the implementation of intelligent systems to control electricity consumption.</p>
WATER USE			
<p>Water management covers various aspects, including the use and management of water in reservoirs and hydropower plants, as well as Repower's overall water consumption. This involves various elements, such as water demand for self-consumption, wastewater management and water use efficiency.</p>	<p>Hydropower plants can affect downstream water flow fluctuations, which can have negative consequences on the living and breeding conditions of aquatic animals and plants. Reservoirs often provide a habitat for various species of fish and small animals, and appropriate management of the fill level can help improve living conditions within this environment.</p>	<p>RISKS</p> <p>Water scarcity and fluctuating water levels may affect or limit the operation of hydropower plants, resulting in reduced electricity production. Similar problems may be caused by stricter regulatory requirements for power plants (e.g. minimum vital runoff regulation).</p>	<p>OPPORTUNITIES</p> <p>Hydropower is a key technology for the energy transition because of its operational flexibility. Careful, forward-looking management of water use will enable Repower to offer more system-related services in the future, and to sell electricity precisely when the price is particularly high. Hydropower plants can also regulate downstream water levels during periods of irregular rainfall, providing useful services for agriculture and flood mitigation. These services can potentially be commercialized.</p>

DESCRIPTION THEMES	IMPACTS	DESCRIPTION OF RISKS / OPPORTUNITIES	
CHANGE IN BIODIVERSITY			
On one hand, this topic concerns the effects on flora and fauna resulting from the construction and operation of Repower's power plants, which can affect the surrounding natural environment. On the other, it concerns the way construction and operation of wind turbines, dams and photovoltaic plants alter the visible landscape.	The construction of any plant can lead to the destruction of habitats and have a negative impact on biodiversity. During subsequent operation, hydroelectric power plants and wind turbines mainly affect animal habitats. Solar power plants, together with wind and hydroelectric power, are transforming the landscape and can be regarded as non-natural elements that can affect the perception of wellbeing and harmony with the surrounding environment.	<p>RISKS</p> <p>The construction of a new plant generally requires an environmental impact assessment in order to obtain authorization from the relevant authorities for the construction and operation of the plant. In the event of a potential impact on habitats, projects may be delayed or rejected. The alteration of landscapes and habitats through implementation of renewable energies may be perceived negatively by local residents and entail reputational risks for Repower.</p>	<p>OPPORTUNITIES</p> <p>Anticipating public concerns and habitat conservation in project planning can make approval processes faster and more likely. To this end, payments for those ecosystem services that can be achieved through habitat protection (e.g. a solar power plant with longer distances to favor wildflower meadows that create habitat for pollinators) could be targeted in the future. Similarly, innovative approaches in project selection and planning (e.g. solar panels on vegetable fields) can reduce area requirements and project costs.</p>
STAFF RECRUITMENT AND DEVELOPMENT			
For Repower, attracting employees and helping them grown professionally represent key issues that include the process of recruiting qualified staff and promoting their development and training over time. As well as offering attractive working conditions, the company is committed to providing training and development opportunities for its employees.	Investing in the professional development of employees promotes job security and attractiveness on the labor market. Skilled and well-trained workers contribute to higher productivity and innovation and can lead to higher economic growth.	<p>RISKS</p> <p>The recruitment and selection of qualified professionals entails expenses related to the search for, and hiring and induction of new employees. In addition, providing constant development opportunities for employees requires investment in additional training programs. Inadequate planning or ineffective implementation can have a negative impact on Repower's overall efficiency.</p>	<p>OPPORTUNITIES</p> <p>Through a targeted recruitment strategy and by investing in continuous development, Repower can strengthen its competencies and innovative capacity while maintaining its competitiveness in the market.</p> <p>Well-trained and -motivated employees help increase efficiency, increase productivity and ensure a better quality of work, which in turn results in higher customer satisfaction and can lead to sustainable financial success for the company.</p>
SAFETY, HEALTH AND WELLBEING			
For Repower, the topic of safety, health and wellbeing covers physical and mental health, an optimal work-life balance and employee safety. It includes, for example, accident prevention, health promotion and protection from work-related risks.	Occupational accidents and illnesses can cause injury, disability and, in some cases, even death. Measures to ensure safety and health in the workplace can minimize these negative effects. Furthermore, it is important to take measures to manage workloads in order to avoid stressful and overwhelming situations that can negatively affect employees' health.	<p>RISKS</p> <p>The adoption of high standards and measures for occupational safety and health entails significant investments in training, protective equipment and safety measures, which can result in additional costs for the company. Occupational injuries and illnesses can have significant financial consequences for a company. Production losses caused by injuries can interrupt work activities, reduce production efficiency and cause delays in the delivery of products or services. In addition, injuries can lead to higher insurance costs and, in some cases, to legal consequences with potential penalties and compensation claims.</p>	<p>OPPORTUNITIES</p> <p>Implementation of occupational health and safety measures can reduce the risk of occupational accidents and illnesses, leading to a consequent reduction in medical costs, days off work and insurance premiums. Furthermore, such measures can increase employee motivation and involvement, contributing to increased productivity, reduced absenteeism and an overall positive working environment.</p>

DESCRIPTION THEMES	IMPACTS	DESCRIPTION OF RISKS / OPPORTUNITIES	
INVOLVEMENT OF STAKEHOLDERS AND LOCAL COMMUNITIES			
For Repower, the issue of information and stakeholder involvement involves transparent communication and the active involvement of various interest groups such as customers, residents, employees, environmental organizations and authorities.	Transparent and comprehensive communication and the active involvement of stakeholders can improve cooperation, acceptance and support, thus promoting stability of energy supply.	<p>RISKS</p> <p>Inadequate communication and lack of stakeholder involvement can lead to a loss of trust, reputational damage and a decline in customers. In addition, conflicts with stakeholders can lead to litigation, project delays and increased costs.</p>	<p>OPPORTUNITIES</p> <p>Through active communication and involvement of stakeholders, new partnerships can be formed and business opportunities seized. In addition, a trustful, transparent relationship with stakeholders can strengthen Repower's reputation, with consequent benefits for the Group's business.</p>
ECONOMIC PERFORMANCE			
Economic performance refers to Repower's economic results, including revenues, profits, profitability and capital efficiency.	Solid economic performance enables Repower to make infrastructure investments, improve customer service, promote innovation and create value for shareholders. In addition, Repower can contribute financially to local communities and in Switzerland to cantonal government, as well as securing jobs.	<p>RISKS</p> <p>Repower's revenues are also derived from the cost of energy supported by their customers. High profits deriving from excessive or inflated energy costs can bring reputational damage and regulatory intervention (for example, higher taxes).</p>	<p>OPPORTUNITIES</p> <p>Solid economic performance contributes to Repower's long-term stability and competitiveness, enabling the company to make investments in renewable energy and innovative technologies, opening up new business opportunities and sources of income in the long term, and creating value for shareholders.</p>

THEME	GRI		INDICATOR	
ACTIVITIES AND WORKERS	GRI 2-7		EMPLOYEES	
	WOMEN	MEN	TOT	UoM
Total contract employees	73	137	210	Number
Open-ended	70	129	199	Number
Fixed-term	3	7	10	Number
Non-guaranteed hours (e.g. on-call, occasional)	0	1	1	Number
Total full-time and part-time employees	73	137	210	Number
Full-time	65	137	202	Number
Part-time	8	0	8	Number

THEME	GRI		INDICATOR	
ACTIVITIES AND WORKERS	GRI 2-7		EMPLOYEES (FTE)	
	WOMEN	MEN	TOT	UoM
Total contract employees	71.3	137	208.3	Number
Open-ended	68.30	129	197.3	Number
Fixed-term	3.00	7	10	Number
Non-guaranteed hours (e.g. on-call, occasional)	0.00	1	1	Number
Total full-time and part-time employees	71.3	137	208.3	Number
Full-time	65	137	202	Number
Part-time	6.3	0	6.3	Number

THEME	GRI		INDICATOR	
DIVERSITY AND EQUAL OPPORTUNITIES	GRI 405-1		DIVERSITY IN GOVERNANCE BODIES AND AMONG EMPLOYEES	
	WOMEN	MEN	TOT	UoM
Management - executives	7	19	26	Number
Under 30	0	0	0	Number
Between 30 and 50	5	8	13	Number
Over 50	2	11	13	Number
Head of Department - Quadro	15	38	53	Number
Under 30	0	0	0	Number
Between 30 and 50	9	32	41	Number
Over 50	6	6	12	Number
Employees	51	69	120	Number
Under 30	7	14	21	Number
Between 30 and 50	42	51	93	Number
Over 50	2	4	6	Number
Workers	0	11	11	Number
Under 30	0	4	4	Number
Between 30 and 50	0	5	5	Number
Over 50	0	2	2	Number
Total	73	137	210	Number

THEME	GRI		INDICATOR	
EMPLOYMENT	GRI 401-1	RECRUITMENT OF NEW EMPLOYEES AND EMPLOYEE TURNOVER		
	WOMEN	MEN	TOT	UoM
Total number of new employees hired by age and gender	4,42	12,25	16,67	Number
Under 30	1,85	5,74	7,59	Number
Between 30 and 50	2,57	6,18	8,75	Number
Over 50	0	0,33	0,33	Number
Percentage number of new employees hired by age and gender	27%	73%	100%	Number
Under 30	11%	34%	46%	Number
Between 30 and 50	15%	37%	52%	Number
Over 50	0%	2%	2%	Number
Total number of employee turnover by age and gender	2,38	1,94	4,32	Number
Under 30	0,12	1,25	1,37	Number
Between 30 and 50	2,26	0,44	2,7	Number
Over 50	0	0,25	0,25	Number
Percentage of employee turnover by age and gender	55%	45%	100%	Number
Under 30	3%	29%	32%	Number
Between 30 and 50	52%	10%	63%	Number
Over 50	0%	6%	6%	Number

THEME	GRI		INDICATOR	
TRAINING AND EDUCATION	GRI 404-1	AVERAGE NUMBER OF TRAINING HOURS PER YEAR, PER EMPLOYEE		
	WOMEN	MEN	TOT	UoM
Number of training hours provided to employees	1979.5	5213.0	7192.5	Number
Managers	315.5	858.5	1174.0	Number
Quadri	318.5	1640.0	1958.5	Number
Employees	1345.5	2573.5	3919.0	Number
Workers	0.0	141.0	141.0	Number
Average number of training hours employees received during the reporting period, broken down by gender and employee category	27.8	38.1	34.5	Number
Managers	45.1	45.2	45.2	Number
Quadri	21.6	43.2	37.1	Number
Employees	27.1	37.3	33.1	Number
Workers	0.0	12.8	12.8	Number

THEME	GRI		INDICATOR	
TRAINING AND EDUCATION	GRI 404-3	PERCENTAGE OF EMPLOYEES RECEIVING REGULAR APPRAISALS OF THEIR PERFORMANCE AND PROFESSIONAL DEVELOPMENT		
	WOMEN	MEN	TOT	UoM
Percentage of total employees by gender and by employee category who have undergone periodic performance appraisal and professional development	57%	54%	55%	Percentage
Managers	100%	100%	100%	Percentage
Quadri	79%	87%	85%	Percentage
Employees	45%	32%	38%	Percentage
Workers	0%	0%	0%	Percentage

THEME	GRI								INDICATOR	
HEALTH AND SAFETY AT WORK	GRI 403-5								WORKER TRAINING ON HEALTH AND SAFETY AT WORK	
	MANAGERS		HEAD OF DEPARTMENT		EMPLOYEES		TOTAL			
GRI 403-5	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	TOT	UoM		
UPDATING WORKERS	12	16	20	40	44	32	164	Hours		
PRIVACY GDPR		2	2	4	16	22	46	Hours		
ANTITRUST	4	8	2	8	0	7	29	Hours		
SPECIFIC TRAINING	12	28	24	56	80	116	316	Hours		
GDPR BY-DESIGN	12	28	16	32	8	32	128	Hours		
GENERAL TRAINING WORKERS	0	8	4	12	28	60	112	Hours		
FIREFIGHTING UBERTI	0	16	8	56	24	72	176	Hours		
FIREFIGHTING PIOLTELLO	0	0	0	24	0	24	48	Hours		
UBERTI FIRST AID	4	24	4	28	48	44	152	Hours		
Total	44	130	80	260	248	409	1,171	Hours		

GRI 302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION	2022	2023	UoM
a) Total consumption of non-renewable fuels	5,779,929	4,431,069	GJ
Diesel	720	504	GJ
Petrol	181	235	GJ
Natural gas	5,779,029	4,430,330	GJ
<i>of which for electricity generation</i>	<i>5,778,229</i>	<i>4,429,731</i>	<i>GJ</i>
b) Total consumption of renewable fuels	-	-	GJ
c) Total energy purchased and consumed	25,243	26,353	GJ
<i>of which electricity</i>	<i>25,243</i>	<i>26,353</i>	<i>GJ</i>
<i>of which heat</i>	<i>-</i>	<i>-</i>	<i>GJ</i>
<i>of which cooling</i>	<i>-</i>	<i>-</i>	<i>GJ</i>
<i>of which steam</i>	<i>-</i>	<i>-</i>	<i>GJ</i>
Total energy sold	16,117,200	14,761,958	GJ
<i>of which electricity</i>	<i>16,117,200</i>	<i>14,761,958</i>	<i>GJ</i>
<i>of which heat</i>	<i>-</i>	<i>-</i>	<i>GJ</i>
<i>of which cooling</i>	<i>-</i>	<i>-</i>	<i>GJ</i>
<i>of which steam</i>	<i>-</i>	<i>-</i>	<i>GJ</i>
Total energy consumed within the organization	5,805,172	4,457,422	GJ

GRI 302-2 ENERGY CONSUMPTION OUTSIDE THE ORGANIZATION	2022	2023	UoM
a) Energy consumed outside the organization	17,716,573	16,225,357	GJ
Upstream	600,103	548,153	GJ
<i>Transport network losses</i>	<i>600,103</i>	<i>548,153</i>	<i>GJ</i>
Downstream	17,116,470	15,677,204	GJ
<i>Distribution network losses</i>	<i>999,270</i>	<i>915,246</i>	<i>GJ</i>
<i>Electricity consumed by customers</i>	<i>16,117,200</i>	<i>14,761,958</i>	<i>GJ</i>

GRI 302-3 ENERGY INTENSITY	2022	2023	UoM
Energy intensity (total energy consumed internally within the organization)	1,714	2,960	GJ/M€
<i>Turnover</i>	<i>3,386,600,000.00</i>	<i>1,505,900,000.00</i>	<i>€</i>

GRI 305 -4 EMISSION INTENSITY	2022	2023	UoM
Emission intensity	0.921	2.06	kgCO₂e/€
<i>Turnover</i>	<i>3,386,600,000.00</i>	<i>1,505,900,000.00</i>	<i>€</i>

GRI 303-3 WATER WITHDRAWAL	2022	2023	UoM
a) Total fresh water drawn	81.08	62.45	MI
<i>from superficial sources</i>	81.08	62.45	MI
<i>from underground sources</i>	-		MI
<i>from marine sources</i>	-		MI
<i>from self-production</i>	-		MI
<i>from third-party production</i>	-		MI
b) Total non-fresh water (residue > 1,000 mg/l)	-	-	MI
c) Total water drawn from water stress areas	-	-	MI

GRI 303-4 WATER DISCHARGE*	2022	2023	UoM
Total fresh water discharged	27.40	20.15	MI
<i>from superficial sources</i>	27.40	20.15	MI
<i>from underground sources</i>	-	-	MI
<i>from marine sources</i>	-	-	MI
<i>from third-party production</i>	-	-	MI
Total non-fresh water discharged (residue > 1,000 mg/l)	-	-	MI
Total water discharged in water stress areas	-	-	MI

*the data relating to GRI 303-3, 303-4, 303-5 include only the water withdrawals and discharges of the Teverola power plant, as it is the only production plant with significant water withdrawals. Water withdrawal and discharge data from central offices are excluded.

GRI 303-5 WATER CONSUMPTION	2022	2023	UoM
a) Total fresh water consumed	53.68	42.30	MI
<i>from superficial sources</i>	53.68	42.30	MI
<i>from underground sources</i>	-	-	MI
<i>from marine sources</i>	-	-	MI
<i>from third-party production</i>	-	-	MI
Total non-fresh water discharged (residue > 1,000 mg/l)	-	-	MI
Total water discharged in water stress areas	-	-	MI

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