

## Information on eco-sustainable economic activities (EU Regulation 2020/852)

In March 2018, the European Commission published the **Action plan on sustainable finance** to create a body of rules around sustainable finance, with the ultimate purpose of directing the flow of private capital towards a more sustainable and inclusive development model in line with the commitments made under the Paris Climate Agreement. **Establishing a unified classification system for sustainable activities**, i.e., a Taxonomy, is the most critical and urgent action foreseen in the action plan.

### What the Taxonomy is

The European Union Taxonomy is a unique European classification system that establishes a list of environmentally sustainable economic activities. This ranking tool is intended to help the European Union scale up sustainable investment and deliver the Green Deal. The Taxonomy sets out to provide companies, investors, and policymakers with standard criteria for determining the economic activities that contribute to an economy that does not negatively impact the environment. This way, according to the European Union, it is also possible to create security for investors regarding greenwashing, to help companies in the ecological transition, and to help move investments where they are most needed.

### How it works

The European Union Taxonomy defines six environmental objectives to identify environmentally sustainable economic activities:

- **Climate change mitigation (CCM);**
- **Climate change adaptations (CCA);**
- **Sustainable use and protection of water and marine resources (WTR);**
- **Transition to a circular economy (CE);**
- **Prevention and reduction of pollution (PPC);**
- **Protection and restoration of biodiversity and ecosystems (BIO).**

An economic activity is defined as environmentally sustainable if: it contributes substantially to the achievement of at least one of the six environmental objectives; it does not cause significant damage to any of the remaining environmental objectives (Do No Significant Harm - DNSH); it is carried out in compliance with the minimum safeguards (based on international guidelines for the respect of human rights); it complies with the technical screening criteria set by the Commission.

### The definition process and entry into force

Based on the first recommendations developed by the TEG (Technical Expert Group), the subsequent contribution of the Sustainable Finance Platform, and a wide range of stakeholders and institutions, **Regulation 852** establishing the European Taxonomy of environmentally sustainable activities was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July of the same year.

As envisaged by Regulation 852, the European Commission is called to adopt delegated acts aimed at supplementing and developing the regulation itself, specifying the technical screening criteria and the procedures for respecting the DNSH standard to be able to consider an economic activity, among those in the list of eligible activities defined by the Commission, as sustainable from an environmental point of view. At the date of approval of this report, the Commission has published:

- The **first delegated act on the two climate mitigation and adaptation targets** (EU 2021/2139), later amended by the delegated act EU 2023/2485, which to date identifies 14 economic sectors and 121 economic activities that can contribute to the attainment of climate change mitigation and/or adaptation targets. With particular reference to the mitigation target, the list of activities in the first version of the delegated act published in 2021 was defined by prioritising the NACE sectors with the highest emission impact in terms of Scope 1 emissions and considering those strategic for fostering the energy transition. The list accounts for 64% of greenhouse gas emissions in the European Union (source 2021 Eurostat data). All sectors and activities are expected to substantially contribute to climate change adaptation. However, it was impossible to conduct the DNSH assessment for all sectors of the economy. So, the starting point for the evaluation was the same set of mitigation activities.

- The **Delegated Act** (EU 2021/2178), as later amended by Delegated Act EU 2023/2485, **which specifies the disclosure requirements** in terms of content, methodology and presentation, for companies subject to the obligation to prepare an annual non-financial statement (Sustainability Report). These companies must report turnover, operating expenses (OPEX) and capital expenditures (CAPEX) of the portion of **eligible economic activities aligned with the taxonomy**, i.e. that comply with the technical screening criteria, the DNSH principle and the minimum safeguards defined by the European Commission.
- The **complementary delegated act** (EU 2022/1214) which introduced specific nuclear energy and fossil gas energy production activities to the list of eligible economic activities by defining the technical screening criteria for their alignment.
- The **delegated act on the sustainable use and protection of waters and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems** (EU 2023/2486), which to date identifies 8 economic sectors and 35 activities that can contribute to the attainment of the Regulation's four environmental objectives.

To date, the taxonomy has a total of **156 economic activities** covering **16 sectors**. For each of them, the delegated acts identify the **technical screening criteria** to determine the conditions under which an economic activity may be considered to substantially contribute to at least one objective and whether it causes significant harm to any other relevant environmental objective. The Commission is expected to review and, if necessary, periodically modify the screening criteria in line with scientific and technological developments.

Referring to the delegated act that, in 2023, introduced the first 35 activities that can contribute to the taxonomy's remaining four environmental objectives, the Commission developed a methodology to select and prioritise the economic activities to be included. In particular, **activities and economic sectors with the greatest potential to substantially contribute to one or more of the objectives** and for which it was immediately possible to develop the relevant technical criteria **were prioritised**. For specific sectors and activities not yet included, such as agriculture, forestry, fishing, and certain manufacturing activities, the Commission is still assessing the criteria with a view to their definitive inclusion within the Regulation.

**The non-priority activities among those considered will be the focus for developing future delegated acts within the taxonomy** as part of an approach entailing the continuous evolution of the standard. Therefore, activities not currently listed cannot automatically be deemed "unsustainable" merely because they are not yet included within the scope of the taxonomy.

Furthermore, in parallel, the Sustainable Finance Platform is drafting and developing non-binding guidelines regarding the "Environmental Transition Taxonomy" that aim to extend the Taxonomy approach also to activities with low environmental impact and activities that need to transition to more sustainable performance and the "Social Taxonomy" guidelines, which clearly establish what constitutes a social investment and which economic activities can be considered socially sustainable.

### The Hera Group's position and commitment

The Hera Group has welcomed the introduction of the Taxonomy, given the importance of the ambitious goal of providing a standard definition to all stakeholders of what can be considered sustainable from a scientific point of view.

In line with this approach, the Group would like to emphasise that for this third year under the Regulation, Delegated Act EU 2021/2178 requires non-financial companies to disclose in their reports the proportion of alignment with the first two climate mitigation and adaptation targets and eligibility only for the activities listed for the remaining four environmental targets. The Hera Group has voluntarily chosen to **anticipate its alignment with the six taxonomy objectives** to immediately capitalise on its contribution to the sustainable transition as envisaged by the Regulation.

This regulation must be viewed as an added value, as it complements and supplements the quantification of shared-value EBITDA, which the Group has been pioneering since 2016 to quantify, through its actions, the need for change and global challenges in the direction of sustainability to demonstrate its response.

In addition to this, in continuity with what was done in 2021 and 2022, a voluntary decision was made to supplement this reporting with the quantification of the profitability deriving from the Group's activities that comply with the technical screening criteria and to highlight the portion of investments in eligible and aligned activities in the 2023-2027 Business Plan.

The Hera Group has actively engaged in the regulatory development process, participating in various consultation procedures and contributing directly through the European Commission's official channels and indirectly through the various industry associations in which the Group participates. In particular, on 17 October 2023, the European Commission introduced the EU Taxonomy stakeholder request mechanism, a questionnaire open to the parties affected by the Regulation to submit suggestions based on scientific and/or technical evidence concerning new economic activities that could be added to the taxonomy or on potential revisions of the technical screening criteria for existing activities. Within the scope of these processes, positions were expressed concerning several issues of importance to the Group, which were discussed at various national and European institutional work forums. Among these were:

**The Sale of renewable energy:** to date, the regulation does not provide for the inclusion, within the list of eligible activities, of the sale of energy, which, on the contrary, constitutes an essential element of the entire value chain and plays a fundamental role in the decarbonisation itinerary, allowing for sustainable electrification of consumption. Companies operating in the sales sector and promoting renewable energy consumption among customers can significantly contribute to the energy transition, guiding demand. The Group claims that the sale of renewable electricity should be considered among the mitigation activities and enjoy the same consideration and relevance associated with generating and distributing electricity (currently in the list of eligible activities).

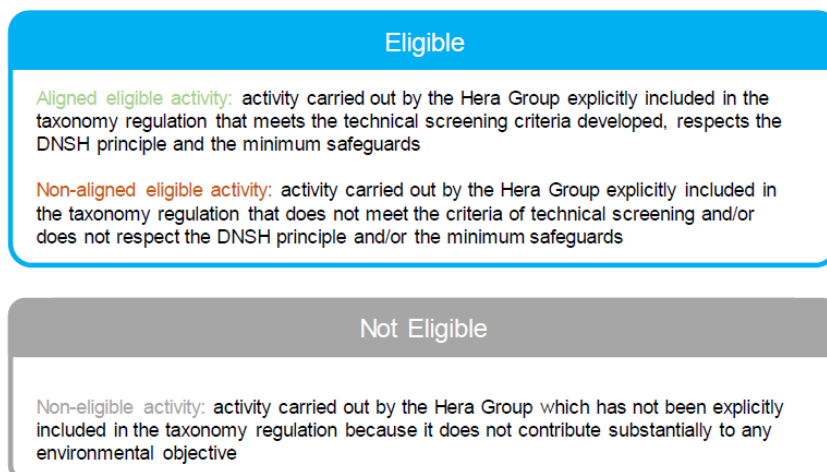
**The role of waste-to-energy plants in the waste hierarchy:** waste-to-energy plants with energy recovery are not included in the list of eligible activities. The Hera Group considers this type of plant essential in the transition phase towards a circular economy, as they contribute to the disposal of non-recyclable fractions of waste, avoiding landfills (a much more harmful alternative from an environmental point of view), and can provide the heat necessary for operating of highly efficient district heating systems, thus avoiding the production of CO<sub>2</sub> emissions from fossil sources.

**The role of gas in the energy transition process:** on 11 July 2022, the European Parliament and the European Council approved the complementary delegated act EU 2022/1214 on climate objectives (mitigation and adaptation), which includes, under strict conditions, specific nuclear energy and gas energy production activities in the list of eligible activities. According to the Commission, the criteria for these activities should help accelerate the transition from solid or liquid fossil fuel, including coal, towards a climate-neutral future. However, the Group considers the conditions for compliance with the technical screening criteria to be excessively challenging. For example, the emission threshold 100 gCO<sub>2</sub>/kWh existing plants must meet does not appear to adequately consider the state of available technology and seems unrealistic considering the current lack of carbon abatement solutions, presenting high costs and operational complexities that cannot always be overcome.

**Waste collection methods:** On 27 June 2023, the European Parliament and the EU Council approved Delegated Act EU 2023/1486 on the remaining four environmental objectives, which includes the "Collection and transport of non-hazardous and hazardous waste" (Activity 2.3 EC) for the transition to a circular economy objective. One of the technical criteria for establishing the substantial contribution to this target requires that municipal waste be collected "mainly through door-to-door collection systems or controlled collection points to ensure a high level of separate waste collection and low contamination rates". However, based on the Hera Group's experience, mixed collection methods can also secure high levels of separate waste collection and low contamination rates. Therefore, the Group believes these criteria must prioritise achieving a high level of separate waste collection, regardless of the method.

**The Taxonomy analysis and reporting process**

Following the recommendations of Delegated Act 2021/2178 introducing disclosure requirements for the taxonomy, a multi-step process was developed through which the applicability of the taxonomy could be analysed along the entire value chain, taking into account all of the Group's consolidated companies. The process concerned all the taxonomy's objectives for which the delegated acts 2021/2139, 2022/1214 and 2023/2486d introduce the list of activities that substantially contribute to these objectives and the list of technical screening criteria and the DNSHs that said activities must comply with to be classified as eco-sustainable, to identify the Group's activities that are eligible aligned, eligible non-aligned, and non-eligible.



The analysis was carried out in the following stages:

- Establishment of a working group coordinated by the Shared Value and Sustainability Department together with the Central Administration, Finance, and Control Department;
- Preliminary analysis of the Group’s activities concerning the **four new environmental objectives** to assess their degree of **eligibility**, with particular attention to the analysis of **overlaps** between the definitions of eligible activities that may contribute to attaining more than one objective. Within the scope of this preliminary mapping, **13 eligible activities** related to different Group companies were identified. The alignment with the technical criteria for these activities was assessed. Next, the eligible portions of **turnover, OPEX, CAPEX and EBITDA** were calculated based on data and information for 2022 and aligned with the Regulation. This exercise allowed a preliminary estimate of Delegated Act 2023/2486’s impact on the values published in the 2022 reporting, also in the light of any overlap to value the contribution to **multiple taxonomy objectives**.
- Update on 2023 data and information on mapping activities that can contribute to attaining the **six taxonomy objectives** and be attributed to Hera Group activities. Within the scope of this mapping, **37 eligible activities were identified**, 24 of which fall under the mitigation objective and 13 under the remaining four environmental objectives. These activities were associated with different Group companies, for which different processes, services, plants and other types of assets were analysed in detail;
- Once the eligible activities forming part of the Group’s portfolio were identified, the Group’s management and company technical representatives were consulted to verify compliance with the technical screening criteria and the DNSHs indicated in the Regulation. 43 people from 13 different Group companies and departments were involved in this stage. To verify the compliance of the technical criteria concerning the DNSHs as they relate to climate change adaptation, the sustainable use and protection of water and marine resources, and the protection and restoration of biodiversity and ecosystems, support was needed from Quality, Safety, and Environmental Management and from Central Market - Energy Risk Analysis and Control Management.



Focus on DNSH Principle

**Adaptation to climate change**

In 2019, Hera launched a **systematic analysis of the risks and opportunities** related to climate change according to the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**. The objective of the analysis is to identify potential vulnerabilities to extreme natural events for their corporate assets, assessing its impact and developing mitigation actions to **improve asset resilience** and the use of the insurance market for residual risk. Hera carries out this analysis on the basis of three time horizons, consistent with the duration of the investment: short term, medium term until 2030 and long term until 2050.

In terms of **adaptation**, Hera is increasing the **resilience of its networks and services**, with initiatives such as the **integration and increase of water resources and interconnections**, the **detection of high-tech water losses**, the new **drainage and water treatment system** and the **upgrading of the electricity distribution network**, to cope with the energy transition towards electrification of consumption. A significant part of the investments in Hera's strategic plan is aimed at improving the resilience to the physical risks of climate change. Adaptation solutions are designed to improve the Hera Group's carbon footprint, with emission reduction targets validated by the **Science Based Target Initiative** and implemented using the best available technologies. In addition, specific initiatives are evaluated and designed with the involvement of local communities to understand and address their concerns and local public institutions to integrate their proposals and expectations into the final project. In 2023, the analysis of risks and opportunities related to climate change continued. The new business plan is defined in relation to multiple strategic axes of development, among others carbon neutrality and resource regeneration (energy transition) and Risk Management (resilience) in line with which the new investment plan aimed at pursuing opportunities and mitigating the identified risks was articulated. These include the construction of new primary electrical distribution side cabins and the resilience interventions of electricity networks in the face of the risk of worsening extreme events, while on the integrated water service side, the district water supply system, the strengthening of watershed ridges, the renewal and interconnection of networks are highlighted, the enhancement of remote control of water supply systems and the installation of smart meters. Important drivers of climate risk mitigation are finally investments for the development of energy efficiency initiatives and heat management aimed at customers and initiatives for the development of photovoltaic utility scale, the strengthening of geothermal energy and the strengthening of the geothermal district heating system.

**Sustainable use and protection of water and marine resources**

The Hera Group carries out all the activities that can have an impact on water resources in accordance with the **Consolidated Environmental Law D.Lgs. n. 152/2006**, which regulates soil protection and the fight against desertification, **the protection of water against pollution** and **the management of water resources** are also implementing **Directive 2000/60/EC** as a framework for Community action on water.

**Protection and restoration of biodiversity and ecosystems**

All the Group's activities take place in Italy and therefore, where applicable, an **Environmental Impact Assessment (EIA)** is carried out in accordance with **Legislative Decree 152/2006** and subsequent amendments and additions (Environmental Code) which transposes Directive 2011/92/EU as amended by 2014/52/EU. In cases where the EIA is not strictly required, the activities are still subject to authorization by other national regulations. According to the legislation, once the impacts are assessed, specific mitigation measures are identified, where necessary, to reduce their significance and, if necessary, to implement appropriate compensatory measures. Within the Sustainability Report, the main Environmental Impact Assessments presented during the year, on an annual basis, are made public.

- At the same time, the management control offices of the companies and departments concerned were engaged to determine the availability and granularity of the economic data necessary to quantify the KPIs relating to turnover, OPEX, and CAPEX associated with the eligible Group activities according to Taxonomy;
- Compliance with the minimum safeguard guarantees was verified, pursuant to the provisions of Regulation 852. Hera complies with the minimum safeguard guarantees thanks to the Group companies' adoption of the **Code of Ethics**, most recently updated in 2022. For a more detailed discussion, see this Sustainability Report's "[Sustainability management](#)" section. The Group promotes the fight against corruption and fraud by embracing the commitment to "zero tolerance", reaffirmed not only in the Code of Ethics but also in the **Model for the Prevention of Corruption** (for a more detailed discussion, see the "[The compliance system for prevention of corruption and fraud](#)" section. Hera has defined and formalised its **Tax Strategy** within the scope of implementing the procedures and safeguards for managing and controlling tax risk (**Tax Control Framework**). The values expressed by this strategy are inspired by and consistent with the Group's Code of Ethics and guide company operations, providing for specific lines of conduct that Hera intends to maintain to achieve the strategic objectives it has set for itself.
- Finally, the economic KPIs (turnover, OPEX and CAPEX) were quantified following the accounting standards described later under "Accounting standards".

The 13 activities identified as eligible after analysing the new 35 activities for the remaining four environmental objectives (EU Delegated Act 2023/2486) contribute to the following objectives.

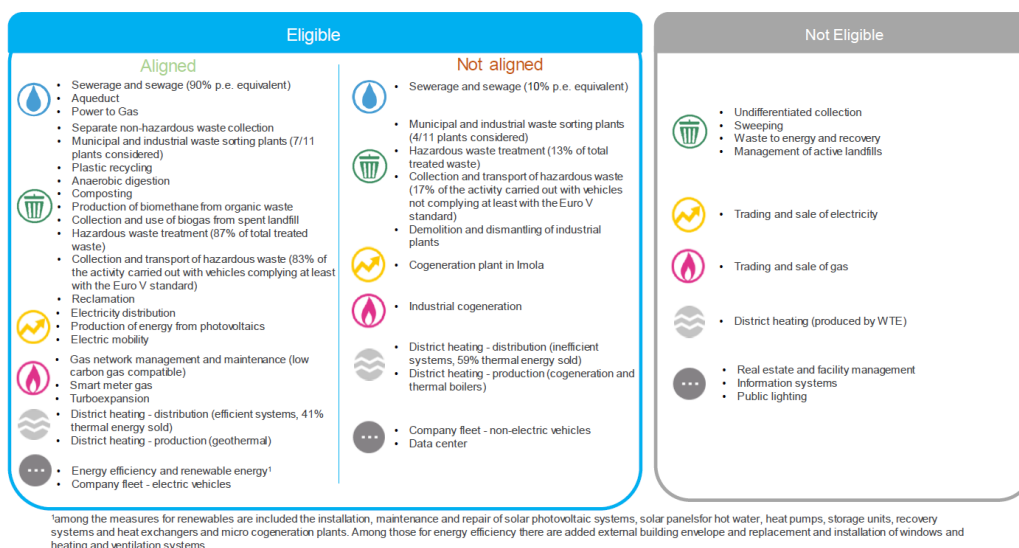
- **Sustainable use and protection of water and marine resources**, of the 6 new activities contributing to this objective, the Group was eligible for three activities: manufacture and installation of leakage control technologies in water systems (1.1 WTR), water supply (2.1 WTR) and urban wastewater treatment (2.2 WTR). These activities overlap with activities already analysed under the climate change mitigation objective, with particular reference to the construction, extension and operation of water collection, treatment and supply systems (5.1 CCM) and wastewater collection and treatment (5.3 CCM).
- **Transition to a circular economy**, of the 21 new activities contributing to this objective, the Group was eligible for six activities: manufacture of plastic packaging goods (1.1 CE), collection and transport of non-hazardous and hazardous waste (2.3 CE), treatment of hazardous waste (2.4 CE), recovery of bio-waste by anaerobic digestion or composting (2.5 CE), sorting and material recovery of from non-hazardous waste (2.7 CE) and demolition and wrecking of buildings and other structures (3.3 CE). These activities overlap with activities already analysed under the climate change mitigation objective, with particular reference to the activities of collection and transport of non-

hazardous waste in source-separated fractions (5.5 CCM), anaerobic digestion of organic waste (5.7 CCM) and material recovery from non-hazardous waste (5.9 CCM).

- **Prevention and reduction of pollution**, of the 6 new activities contributing to this objective, the Group was eligible for four activities: collection and transport of hazardous waste (2.1 PPC), treatment of hazardous waste (2.2 PPC), and remediation of legally non-conforming landfills and abandoned or illegal waste dumps (2.3 PPC) and remediation of contaminated sites and areas (2.4 PPC). These activities do not overlap with activities already analysed under the climate change mitigation objective. However, with particular reference to the definition of activity 2.1 PPC, there is an overlap with the activity of collecting and transporting non-hazardous and hazardous waste (2.3 EC) and an overlap of the activity 2.2 PPC with the activity of treatment of hazardous waste (2.4 CE).
- **Protection and restoration of biodiversity and ecosystems**, the Group was not eligible for the 2 new activities that contribute to this objective, namely, the conservation activity, including the restoration of habitats, ecosystems and species (1.1 BIO) and the activity related to hotels, holiday accommodation, camping grounds and similar accommodation (2.1 BIO).

Compared to 2022, the reporting scope was expanded in 2023 from 12 to 13 companies after acquiring ACR within the Group.

### OVERVIEW OF HERA GROUP ACTIVITIES ALIGNED WITH THE TAXONOMY



As shown in the summary view, **most of the activities were aligned**, however activities related to: a portion of **sewerage and wastewater service** (activity 5.3 CCM *Construction, extension and operation of waste water collection and treatment systems* and 2. 2 WTR *Urban waste water treatment*), for a limited number of territories that do not yet meet energy efficiency thresholds and a few urban agglomerations in the process of being brought into compliance with current sewage legislation (corresponding to 10% of the p.e. served), **waste sorting** (activity 5.9 *Material recovery from non-hazardous waste*) in relation to three plants that do not meet the required material recovery threshold, **hazardous waste treatment** (activity 2.2 PPC *Treatment of hazardous waste*) in relation to A.C.R.'s activity that is neither equipped with an internal laboratory nor a sampling procedure, and Vallortigara's activity that does not comply with the dissolved organic carbon (DOC) limit as regards the outgoing waste (these two companies treat 13% of the total hazardous waste treated by the Group), the **Collection and transport of hazardous waste** (activity 2.1 PPC *Collection and transport of hazardous waste*) for the portion of transport that carried out with vehicles non-compliant with the EURO V standard as a minimum (this figure is 17% of the total number of vehicles used by the Group) and activity 2.3 EC) for the portion of transport that takes place with vehicles not compliant with the EURO V standard as a minimum (the number of vehicles non-compliant with the EURO V standard as a minimum of the companies carrying out the activity is 17% of the total); a portion of **district heating/cooling distribution** (activity 4.15 CCM *District heating/cooling distribution*) that does not meet the definition of efficient district heating and cooling systems (equal to 59% of the thermal energy sold in 2023); the portion of the **company fleet** relative to non-electric vehicles (activity 6.5 CCM *Transport by motorbikes, passenger cars and light commercial vehicles* and 6.6 CCM *Freight transport services by road*)

and the **data centre** activity (activity 8.1 CCM *Data processing, hosting and related activities*), for energy efficiency aspects. Furthermore, none of the activities introduced by the complementary delegated act EU 2022/1214 are aligned with the technical screening criteria: the production of energy from the Imola **cogeneration plant** (activity 4.30 CCM *High-efficiency co-generation of heat/cool and power from fossil gaseous fuels*), the production of **thermal energy from cogeneration and thermal boilers** in efficient district heating systems (activity 4.31 CCM *Production of heat/cooling from fossil gaseous fuels in an efficient district heating and cooling system*), and finally the construction and operation of **industrial cogeneration plants** (activity 4.30 CCM *High-efficiency co-generation of heat/cool and power from fossil gaseous fuels*).

## Our results

For the sake of correctly representing and interpreting the results obtained within the scope of this analysis, it should be noted that the data on turnover, OPEX, CAPEX, and EBITDA **eligible for the taxonomy refer to the climate change mitigation, use and protection of water and marine resources, prevention and reduction of pollution, and the transition to a circular economy objectives**.

In some cases, part of the CAPEX reported may also meet the **adaptation to climate change** objective. However, since the perimeter overlaps perfectly, the reporting focused only on the mitigation objective, as indicated by the FAQs the EU Commission published on 19 December 2022 (Draft Commission Notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets), in particular in point 8 “How should reporting undertakings address ‘double-counting’ in the context of business activities contributing to multiple environmental objectives”<sup>14</sup>.

As already reported, no group activities have been identified as eligible for the **protection and restoration of biodiversity and ecosystems** objective.

## Managing overlapping

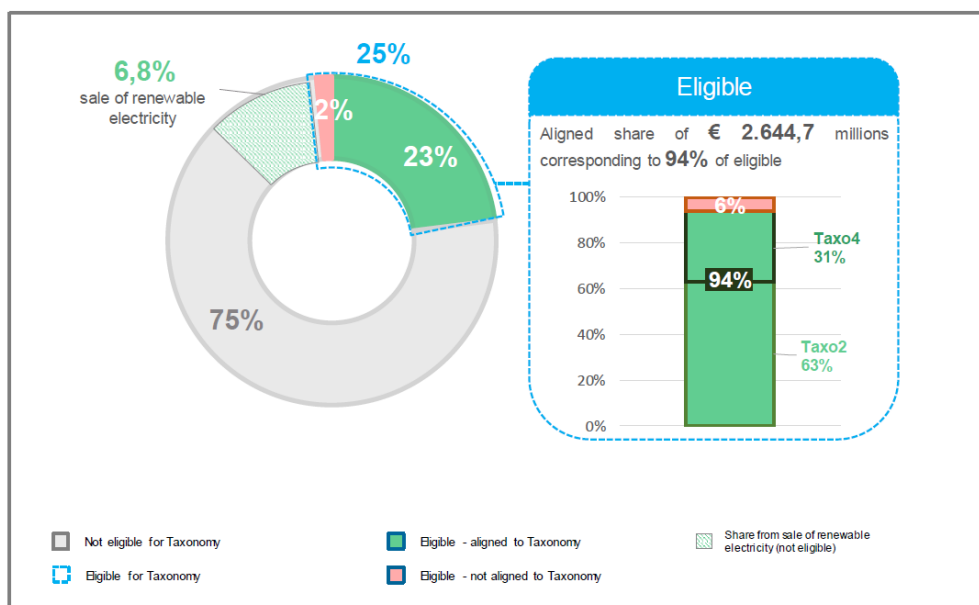
As described above, for the analyses required to apply the 2023 taxonomy, the Group examined the eligibility and alignment with economic activities that can **simultaneously contribute to the achievement of several taxonomy objectives** and that, in some cases, present **total or partial overlapping** in the perimeter established by the definition established by Regulation for each activity.

The Group decided to analyse compliance with the technical alignment criteria, including activities with mutual overlaps, concerning activities already assessed in the 2022 reporting for the mitigation objective and among those same activities listed in the taxonomy for the four new environmental objectives.

The analysis provided a detailed picture of the overlaps between eligible assets, showing some differences with respect to the ability of individual assets to exceed the technical alignment thresholds. **The Group has calculated the percentage of turnover, capex, opex and MOL eligible and aligned by enhancing the contribution of each individual activity to at least one environmental objective by optimizing the contribution to the objectives of the Regulation** and avoiding the double-counting in the management of overlapping assets. This approach has made it possible to measure the contribution to the achievement of more taxonomy objectives.

The Group’s intention to analyse the alignment of all taxonomy activities is not only in line with the indications in the Regulation but also mitigates the so-called “**criteria shopping**” that the Commission identifies in the risk of selecting activities with technical criteria that are easier to satisfy at the expense of a comprehensive analysis of the contribution to multiple environmental objectives.

### ADJUSTED TURNOVER (2023)



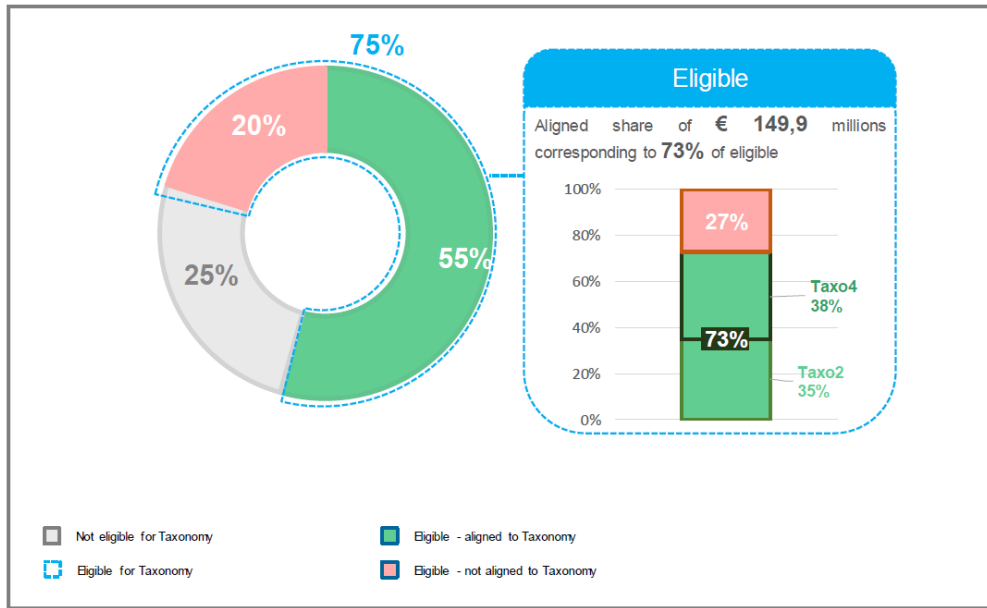
**Turnover:** in 2023, revenues related to eligible business **activities aligned** to the taxonomy are about **2.6 billion euros** (about 23% of the Group total), or 94% of the entire eligible share. This 94% is composed of 63% contributing to the climate change mitigation goal (Taxo2) and 31% contributing to the remaining four environmental goals (Taxo4). As described above, these results are the result of managing overlaps between the definitions of eligible activities that may contribute to different objectives of the taxonomy, amounting to 10 percent of the Group's total revenue.

For a correct reading of the data, it is essential to highlight that 6.8% of the ineligible turnover relates to the **sale of renewable electricity**, a sustainable activity not included in the Taxonomy list due to the logic explained previously under “The definition process and entry into force”. From the Group's perspective, this activity is an essential element in the decarbonisation process, allowing the sustainable electrification of consumption. Assuming that the renewable electricity sales activity is eligible and aligned with the Taxonomy, the eligible aligned direct revenues would be 29,8% of the Group total.

Moreover, overall, more than two-thirds of the Group's turnover relates to the **sale and trading of electricity and gas**, activities not eligible for the Taxonomy and subject to **significant price fluctuations** dictated by the energy market, which can lead to annual variations in the portion of eligible and ineligible turnover. At the end of 2023, in particular, the denominator of the turnover-related KPI was strongly influenced in the energy sectors by the increase in the price of commodities and intermediation activities, which also generated corresponding substantial increases on the cost side. Therefore, to supplement the information and guarantee a timely managerial analysis, as well as to guarantee better comparability of the results, it was deemed appropriate to calculate the synthetic KPI of the “adjusted” turnover, sterilizing the anomalous price increase of 2022 that also impacted 2023. In the detailed table in the attachments, the data relating to the turnover KPI are shown in the version without management adjustments, where the revenues from aligned eligible activities are equal to 17% of the total Group turnover (+6% compared to 2022).

See the information under “Accounting standards” for further details on the methods of calculating the economic data.

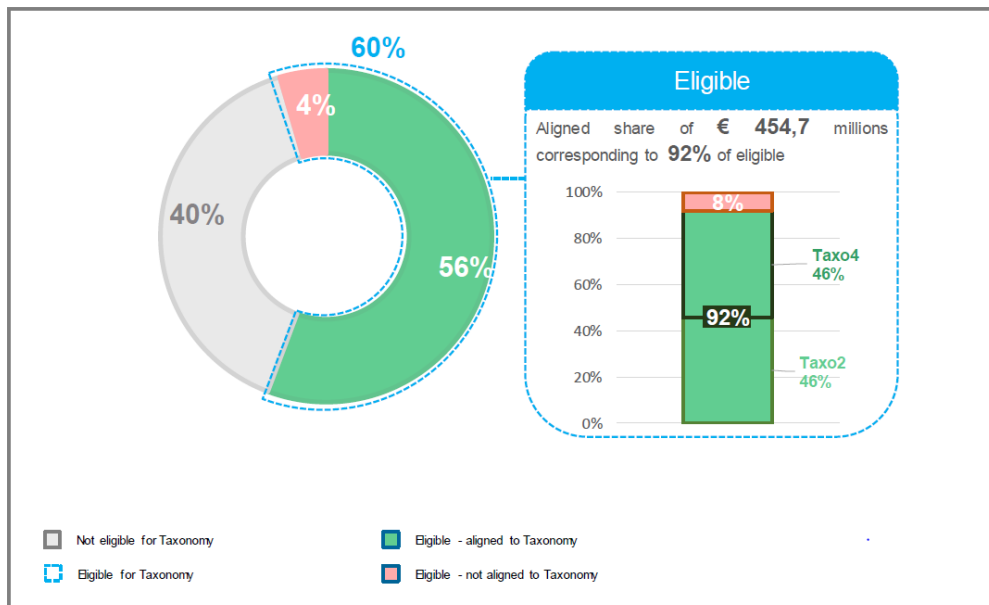
**OPEX (2023)**



**Opex:** In 2023, opex related to eligible business **activities aligned** with the taxonomy is **149.9 million euros** (about 55 percent of the Group total), or 73 % of the entire eligible share. This 73% is composed of 35% contributing to the climate change mitigation objective (Taxo2) and 38% to the remaining four environmental objectives (Taxo4). In the case of operating expenses, overlaps between definitions of eligible activities that may contribute to different objectives of the taxonomy amount to 21% of the Group's total opex.

See the information under “Accounting standards” for further details on the methods of calculating the economic data.

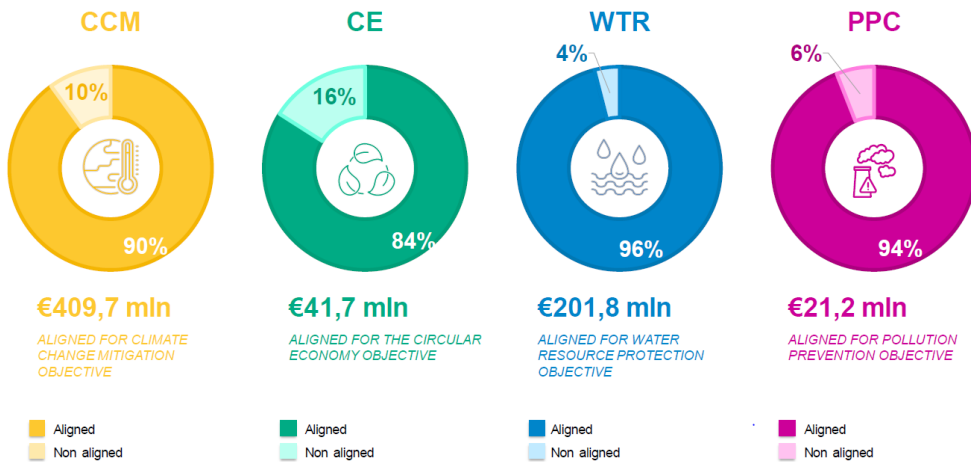
**CAPEX (2023)**



**Capex:** In 2023, direct capex related to eligible business **activities aligned** with the taxonomy is **454.7 million euros** (about 56% of the Group's total operating investment before capital grants), or 92% of the entire eligible portion. This 92 % is composed of 46% contributing to the climate change mitigation objective (Taxo2) and 46% to the remaining four environmental objectives (Taxo4). In the case of capital expenditures, overlaps between definitions of eligible activities that may contribute to different objectives of the taxonomy amount to 31 % of the Group's total capex.



As far as CAPEX for 2023 is concerned, the table below shows the **contribution of the Group's eligible and aligned investments to the four taxonomy objectives relevant to Hera**. In particular, this calculation shows the absolute and percentage values for each individual objective, also considering those investments that may simultaneously contribute to more than one taxonomy objective.

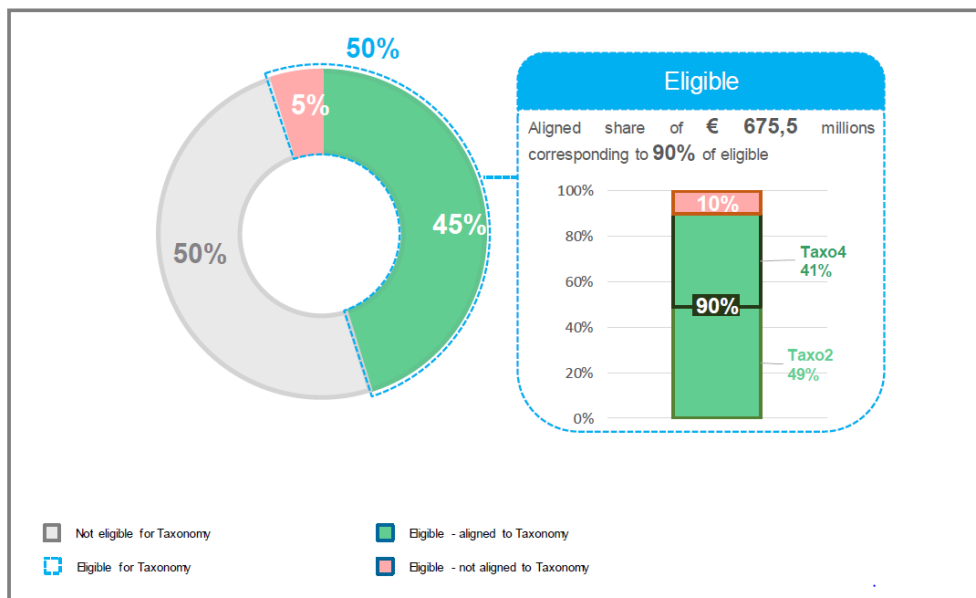


See the information under “Accounting standards” for further details on the methods of calculating the economic data.

**Taxonomy EBITDA vs CSV EBITDA**

As mentioned above, the Hera Group has decided to provide the figure relating to the **EBITDA** deriving from the Group's **taxonomy- eligible activities aligned with the climate change mitigation objective** for 2023 also. This is voluntary information, not prescribed by EU Regulation 2020/852 and subsequent delegated acts. It should be noted, however, that the EBITDA indicated was determined using criteria consistent with the EBITDA calculation in the Group's consolidated financial statements and is not limited to considering OPEX only as noted in the taxonomy regulation and delegated acts. For further details on the methods for calculating OPEX, see “Accounting Standards”.

**“TAXONOMY EBITDA” (2023)**



In 2023, EBITDA related to eligible business **activities aligned** with the taxonomy corresponds to **675.5 million euros** (about 45 percent of the Group total), or 90 % of the entire eligible share. This 90% is composed of 49% contributing to the climate change mitigation goal (Taxo2) and 41% to the remaining four environmental goals (Taxo4).

The “Taxonomy EBITDA” and the shared-value EBITDA (Csv EBITDA), which the Group has been quantifying since 2016, can therefore be compared; these two indicators have fundamental

conceptual differences and, by their very nature, are two not perfectly superimposable sets. The differences encountered impact firstly on the list of activities considered in their quantification (referred to as eligibility in the taxonomy) and secondly on how the portion of activities to be considered is calculated.

**From a conceptual point of view, CSV EBITDA covers all six environmental Taxonomy objectives in its impact areas.** In particular, mitigation responses can be found in “promotion of energy efficiency” and “energy transition and renewables”; similarities with the adaptation objective can be found in “resilience and adaptation” (which, however, adopts a broader vision of the resilience concept). In contrast, the remaining four environmental taxonomy objectives can be identified in the impact areas “transition to a circular economy”, “sustainable management of water resources”, and “protection of air, soil and biodiversity”. This confirms the validity of the approach the Group has been adopting for years, which, in fact, preceded the European legislation.

The main differences between the two approaches, which are and will always be evident in the numbers, mainly depend on:

- The inclusion in the CSV framework of activities with social objectives, such as the “economic development and social inclusion” impact area, and activities that promote innovation and digitisation;
- The different selection of activities that contribute to shared value, on the one hand, and to environmental objectives, on the other;
- The different method for calculating the economic values of the assets included both in the shared value and in the Taxonomy.

Regarding activities with social objectives, in the CSV EBITDA we observe value given to assignments to social cooperatives and initiatives to help customers who are in financial difficulty via the payment of bills in instalments. In the innovation and digitisation area, we find the development of projects and investments for digitising operational processes, the services offered to cities, and the remuneration deriving from investments in innovation.

CSV EBITDA includes other relevant activities from an environmental point of view and for the achievement of sustainable development, which are not included in the list of activities eligible for the Taxonomy, according to the logic adopted by the Commission (in particular, see the mitigation objective approach concerning Scope 1 emissions in “what is the European Taxonomy”):

- sales of renewable electricity;
- sale of methane gas with greenhouse gas offsetting;
- electricity and gas contracts signed with innovative energy efficiency commercial offers;
- efficient public lighting;
- the recovery of energy deriving from the incineration of waste (considered only for the portion of energy from renewable sources equal to 51%);
- obtaining white certificates.
- demolition and dismantling industrial plants

As regards the demolition activity, we note that the activity is included in the CSV EBITDA as potentially applicable for soil recovery. In contrast, from the point of view of the EU Taxonomy, this activity is included as eligible if the waste it generates is destined for recycling and recovery above a certain technical threshold.

Concerning activities included in both shared value and taxonomy for which different accounting methods are used, we find:

- Sewerage and purification, the marginality considers the proportion of reusable wastewater and the percentage of compliance with European and national legislation on the purification of wastewater in urban agglomerations >2,000 population equivalent in the CSV EBITDA;
- Aqueduct, the marginality is quantified considering the users served by aqueduct systems “covered” by the water safety management plans in the CSV EBITDA;
- Company fleet, only the marginality deriving from electric vehicles is considered eligible in the Taxonomy EBITDA, while in the CSV EBITDA, methane/LPG vehicles are also included;
- Telecommunications, only the marginality of the component deriving from the data centre activity is considered eligible in the Taxonomy EBITDA, while in the CSV EBITDA, it is considered in full as it corresponds to the “innovation and digitization” impact area;
- Waste collection, only the marginality deriving from the differentiated collection is reported as eligible and aligned in the Taxonomy EBITDA, while in the CSV EBITDA, the marginality of unsorted waste collection sent to energy production is also considered, partly designated the district heating service;

- In selecting municipal and industrial waste, only the marginality of the plants that convert at least 50% of the waste into secondary raw materials is considered eligible in the Taxonomy EBITDA. In contrast, in the CSV EBITDA, the marginality is quantified considering the percentage of waste sent for material and energy recovery (the latter excluded from the Taxonomy, as indicated above).

## Accounting standards

What follows is a description of the accounting standards the Hera Group followed in formulating the economic KPIs presented.

As for the method of assigning the economic aggregates to the numerator, as already mentioned, we started with a detailed analysis of the map of the activities carried out by the Hera Group, identifying those that fall within the description of economic activities included in attachments I and II of the delegated act 2021/2139. To allocate the amounts relating to turnover, CAPEX, and OPEX to the aligned and non-aligned eligible activities, the information present in the Group's accounting systems relating to general, analytical, and regulatory accounting was used as a priority, representing the primary source for both quantitative and qualitative information. In some cases, to better describe the extent to which the company's activities are associated with the economic activities considered eligible under Articles 3 and 9 of this Regulation 852/2020, appropriate drivers also had to be used to better identify the relevant values. In any case, the Group's analytical accounting system, which governs the allocation and disbursement of each accounting amount, ensures the non-duplication of the KPI numerator values in the various economic taxonomy activities.

As regards the determination of the KPI denominator, this value is always calculated in line with the aggregates present in the numerator but refers to the perimeter of the Hera Group's total consolidated economic activities, excluding all intragroup relations and activities carried out for internal consumption within the Group.

The accounting principles adopted to calculate the KPI illustrated below and applied for the first two environmental objectives may evolve and change in future years in light of regulatory developments in the taxonomy or established practices regarding its reporting.

The Taxonomy KPIs were calculated as follows:


- **Turnover:** the portion of eligible aligned and non-aligned turnover, as defined in Article 8(2)(a) of European Regulation 852/2020, is identified as the portion of the consolidated net revenue generated from the sale of products or services, including intangible products or services, associated with economic activities eligible for the taxonomy/total net revenue. Net revenues are consistent with the values in the Group's consolidated financial statements, prepared in accordance with international accounting standards and refer to paragraph 82(a) of IAS 1, adopted by EC Regulation No. 1126/2008. In particular, in calculating the indicator, the items included under production for revenues from sales and services were considered, excluding other revenues and increases in fixed assets from internal work.
- **CAPEX:** the portion of aligned and non-aligned eligible CAPEX as defined in Article 8 paragraph 2 (b) of European Regulation 852/2020 is calculated as the portion of capital expenditures associated with eligible activities and is determined in accordance with the criteria set out in paragraph 1.1.2.2 of the Delegated Act / the total of CAPEX from the Group's consolidated financial statements defined in accordance with the criteria set out in paragraph 1.1.2.1 of the Delegated Act. Specifically, capital expenditures generating the increases in assets relating to tangible fixed assets, investment property and intangible fixed assets of the financial year considered before depreciation and any write-down or revaluation, excluding investments in financial holdings, shall be taken into account, including grants. There were also no "CAPEX plans" expenses as defined in paragraph 1.1.2.2 of Attachment I to Delegated Regulation (EU) 2021/2178. In May 2022, the Hera Group issued a Green Bond. The funds it raised are earmarked for the integrated water cycle (Sustainable water and wastewater management, aligned with SDGs 6, 13 and 14), circular economy & pollution prevention and control (Circular Economy & Pollution prevention and control, aligned with SDGs 11, 12 and 13), energy efficiency and infrastructure (Energy Efficiency and Energy Infrastructure, aligned with SDGs 7, 11 and 13) and, therefore, are also a source of funding for certain investments that fall within the CAPEX of the taxonomy aligned economic activities. For further information, see the information on the green bond and the Hera Group's Green Financing framework reported under "[Hera green bonds](#)" in this Sustainability Report.
- **OPEX:** the portion of eligible OPEX as defined in Article 8(2)(b) of European Regulation 852/2020 is calculated as the portion of non-capitalised expenditure associated with eligible activities and is determined according to the criteria set out in paragraph 1.1.3.2

of the Delegated Act / the total OPEX from the consolidated financial statements of the Group defined according to the criteria set out in paragraph 1.1.3.1 of the Delegated Act. In particular, this KPI includes the costs associated with research and development, building renovations, short-term leases, maintenance and repairs, as well as other direct costs relating to the daily ordinary maintenance of the tangible assets necessary to ensure the continuous and efficient functioning of these assets, whether performed internally or outsourced to third-party companies, presented in the income statement in the Group's consolidated financial statements drawn up in accordance with IAS-IFRS standards. Said costs, therefore, include portions of labour costs, external costs for services, and costs for the purchase of materials which are directly attributable to this ordinary maintenance.

The Hera Group also decided to provide the figure for EBITDA from the Group's taxonomy-eligible activities aligned with material environmental objectives. This information is not prescribed by the EU Regulation 2020/852 requirements and subsequent delegated acts. Still we believe it is important, including for reconciling this "EBITDA Taxonomy" with the "shared value EBITDA" that the Group has been reporting for several years. The Taxonomy EBITDA is calculated in line with EBITDA (see the definition of alternative performance indicators in the financial statements) taken from the Group's consolidated financial statements and includes all operating costs, not limited, therefore, to the cost aggregates encompassed in the OPEX. The numerator shows the portion of EBITDA relating to the aligned activities, At the same time, the Group's total EBITDA appears in the denominator.

The table below details the results of the analysis described above. In particular, for each taxonomy-eligible activity, the following items are listed in the column: the business area of reference and the relevant activity, the numerical **code**, the **abbreviation** of the objective to which the activity may contribute and the **title** of the eligible activity (followed by a breakdown based on the Group's business). The **qualitative rationale supporting compliance or non-compliance with the technical criteria** required to establish alignment (CVT and DNSH) is also provided. The grey cross-banded background, where relevant, details **any overlaps** with activities having similar descriptions that may contribute to the achievement of different objectives. Finally, the [✓] icon indicates those activities selected for KPI calculation purposes, allowing the Group to **optimise the KPI valuation of the contribution to the Regulation's objectives**.

## ELIGIBLE ALIGNED AND NON-ALIGNED HERA GROUP ACTIVITIES

Area	Group activity	Code and description of the activity defined by the EU Taxonomy	Overall CVT and DNSH compliance
	Aqueduct	<input checked="" type="checkbox"/> 2.1 WTR <b>Water supply</b> Water supply	<b>Aligned:</b> The Group's entire water supply business complies with the alternative criterion relating to water losses, calculated according to the Resolution ARERA 917/17 (RQT1) requirements, see macro indicator M1 <sup>1</sup> . Water is used based on derivation concessions issued by the competent authorities. Overall DNSH compliance for the applicable objectives.  <b>Not aligned:</b> -
<b>Overlapping:</b> The activity overlaps with Activity 5.1 CCM - Construction, extension, and operation of water collection, treatment and supply systems and Activity 1.1 WTR - Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems (the latter for the operation of water supply systems).			

<sup>1</sup> In accordance with Article 4 of Directive (EU) 2020/2184 of the European Parliament and Council

5.1 CCM	<b>Construction, extension, and operation of water collection, treatment and supply systems</b> Construction, extension, and operation of water collection, treatment and supply systems.	<b>Aligned:</b> The collection, adduction, distribution, and metering systems for the aqueduct networks and plants considered for Hera Spa and AcegasApsAmga comply with the consumed energy threshold of 0.5 kWh/m <sup>3</sup> . The Marche Multiservizi system complies with the alternative criterion relating to water losses, calculated according to the Resolution ARERA 917/17 (RQTI) requirements, ref. macro indicator M1 <sup>2</sup> . Overall DNSH compliance for the applicable objectives.
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**Not aligned:** -

1.1 WTR	<b>Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems</b> Leakage control activities in water supply systems	<b>Aligned:</b> All of the Group's leakage control technologies comply with requirements (including pressure control valves, pressure transmitters, flow meters, etc.) and environmental degradation risks related to water quality preservation and water stress prevention are identified and addressed. Overall DNSH compliance for the applicable objectives.
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**Not aligned:** -

Sewage and waste water treatment <input checked="" type="checkbox"/>	2.2 WTR	<b>Urban Waste Water Treatment</b> Urban Waste Water Treatment	<b>Aligned:</b> Compliant for AcegasApsAmga, Hera Spa and Marche Multiservizi insofar as the networks and plants are operated under authorisations (in particular, discharge authorisations) and compatibility assessments are considered positive when authorisations are issued by Public Administrations. All AcegasApsAmga, Hera Spa, and Marche Multiservizi plants with a capacity equal to or exceeding 100,000 p.e. (excluding those listed in the "not aligned" section) have a wastewater treatment system that stabilises sludge through anaerobic digestion. The proportion of population equivalent (p.e.) covered by plants with a capacity >100,000 p.e. with anaerobic digestion amounts to 90% of the Group's total. Overall DNSH compliance for the applicable objectives.
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**Not aligned:** A portion of Hera Spa (Sassuolo, Faenza and Cesenatico) and Marche Multiservizi (Borgheria) plants with a capacity of 100,000 p.e. or more do not have anaerobic digestion. The portion of population equivalents (p.e.) covered by plants with a capacity >100,000 p.e. with anaerobic digestion amounts to 10% of the Group's total. Marche Multiservizi's three agglomerations in EU infringement do not meet the requirements on the good status of the water bodies concerned.

**Overlapping:** the activity overlaps with activity 5.3 CCM - Construction, extension and operation of wastewater collection and treatment.

5.3 CCM	<b>Construction, extension and operation of waste water collection and treatment</b> Construction, extension and operation of centralized wastewater systems, including	<b>Aligned:</b> The wastewater collection and treatment systems with any level of treatment (including primary) considered for Hera Spa and Marche Multiservizi (except for what is reported in the "non-aligned" section) comply with the net energy consumption thresholds. Overall DNSH compliance for the applicable objectives.
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<sup>2</sup> Ibid.



collection (sewer system) and treatment.

**Not aligned:** The wastewater collection and treatment systems with any level of treatment (including primary) of AcegasApsAmga and Borgheria (Marche Multiservizi) do not comply with the net energy consumption thresholds; within the Marche region, there are also three agglomerations in violation of the purification legislation, not compliant with the DNSH prevention and reduction of pollution.

Power to gas

5.6  
CCM

**Anaerobic digestion of sewage sludge**

Construction and management of plants for the treatment of processing sludge through anaerobic digestion, with the consequent production and use of biogas and chemical products.

**Aligned:** The Inrete plant considered digests the sewage sludge, producing biogas, which is transformed into biomethane to be injected into the natural gas network. A plan is in place to monitor methane leaks. Overall DNSH compliance for the applicable objectives.

**Not aligned:** -



Plastic recycling

3.17  
CCM

**Manufacture of plastics in primary form**

Fabrication of resins, plastics and non-curing thermoplastic elastomers, custom blending of custom resins, as well as production of non-custom synthetic resins.

**Aligned:** Aliplast's washing and regeneration plants manufacture plastic in primary form entirely through the mechanical recycling of plastic waste. Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

1.1  
CE

**Manufacture of plastic packaging goods**

Fabrication of resins, plastics and non-curing thermoplastic elastomers, custom blending of custom resins, as well as production of non-custom synthetic resins.

**Aligned:** Aliplast's PE film products have an average recycled plastic content of 85%. The plastic packaging material attains the minimum target recycling rate for plastic packaging waste set by Directive 94/62/EC. Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

Non-hazardous separate waste collection

5.5  
CCM

**Collection and transport of non-hazardous waste in fractions separated at the source**

Separate collection and transport of non-hazardous waste in single or mixed fractions intended for preparation for reuse or recycling.

**Aligned:** All non-hazardous waste collected separately and transported by Hera Spa, AcegasApsAmga, Marche Multiservizi, and Alibardi are separated at the source and destined for preparation for reuse or recycling. Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

**Overlapping:** The activity overlaps with activity 2.3 EC - Collection and transport of non-hazardous and hazardous waste for the portion regarding the collection and transport of non-hazardous waste.

Collection and transport of hazardous waste

2.1  
PPC

**Collection and transport of hazardous waste**

Collection and transport of hazardous waste

**Aligned:** Hazardous waste managed by Hera Spa, Herambiente Servizi Industriali, Recycla and Vallortigara is separated at the source and collected separately from non-hazardous waste to avoid cross-contamination. Appropriate measures are taken to ensure that hazardous waste is not mixed or diluted with other hazardous waste categories or other wastes, substances or materials during separate waste collection and transport. The proportion of vehicles minimally compliant with the Euro V standard used was 83% for transport. Overall DNSH compliance for the applicable objectives.

**Not aligned:** The Marche Multiservizi vehicles used for waste collection are not compliant with the EURO V standard as a minimum. The companies Hera Spa, Herambiente Servizi Industriali and Recycla also use vehicles that are not compliant with the Euro V standard as a minimum. In these companies, the overall proportion of Group vehicles noncompliant with the Euro V standard as a minimum and used for the collection and transport of hazardous waste that do not comply is 17%.

**Overlapping:** The activity overlaps with activity 2.3 EC - Collection and transport of non-hazardous and hazardous waste for the portion regarding the collection and transport of non-hazardous waste.

Collection and transport of non-hazardous and hazardous waste

2.3  
CE

**Collection and transport of non-hazardous and hazardous waste**  
Collection and transport of non-hazardous and hazardous waste

**Aligned:** AcegasApsAmga, Hera Spa., Herambiente Servizi Industriali, Marche Multiservizi, Vallortigara and Recycla use some Euro V or higher vehicles for the transport of municipal waste (hazardous and non-hazardous) and non-municipal waste. The waste is collected and transported separately and is prepared for re-use or recycling. Curbside and controlled streetside collection are prevalent (>50%) for all companies, except for AcegasApsAmga, for which this method is prevalent only in the Padua area for non-hazardous municipal waste and in the Padua and Trieste areas for hazardous municipal waste. Overall DNSH compliance for the applicable objectives.

**Not aligned:** The waste A.C.R. manages is not exclusively designated for disposal. Furthermore, in A.C.R., glass and wood are mixed with other waste in some instances. In the Trieste area, AcegasApsAmga mainly carries out non-hazardous municipal and non-municipal waste collection activities by road. The AcegasApsAmga, Hera S.p.A., Herambiente Servizi Industriali, Marche Multiservizi, Vallortigara and Recycla companies also use vehicles non-compliant with the Euro V standard as a minimum for collection and transport.

Anaerobic digestion



2.5  
CE<sup>3</sup>

**Recovery of bio-waste by anaerobic digestion or composting**  
**Recovery of bio-waste by anaerobic digestion or composting**

**Aligned:** The organic waste fed into the anaerobic digestion systems originates from the separate waste collection of the wet fraction from canteen and kitchen waste; the waste delivered to the plant comes mainly in compostable plastic bags certified in accordance with EN 13432:2000. For Herambiente's Sant'Agata, Rimini, Cesena and Voltana plants, organic waste from separate waste collection constitutes at least 70% of the waste entering anaerobic digestion as an annual average, with percentages varying between 75 and 85%. Overall DNSH compliance for the applicable objectives.

**Not aligned:** In Herambiente's Spilamberto plant, organic waste from separate waste collection accounts for 57% to 68% of the total raw material input.

<sup>3</sup> Activity 2.5 CE was selected for calculating KPIs only with reference to those concerning the Spilamberto plant.

**Overlapping:** the activity overlaps with activity 5.7 CCM - Anaerobic digestion of organic waste and with activity 4.13 - Manufacture of biogas and biofuels for use in transport and of bioliquids.



4.13  
CCM<sup>4</sup>

**Production of biogas and biofuels for transport and bioliquids**  
Production of biogas or biofuels for transport and bioliquids.

**Aligned:** The two Herambiente Group biomethane plants considered produce biomethane for transport, guaranteeing a reduction in greenhouse gas emissions of at least 65% compared to the emissions of the related reference fossil fuel. No agricultural or forest biomass is used for the production, and the process satisfies criteria 1 and 2 of section 5.7. CO<sub>2</sub> capture and storage is not envisaged.  
Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

5.7  
CCM

**Anaerobic digestion of organic waste**  
Construction and management of dedicated plants for the treatment of organic waste collected separately through anaerobic digestion, with the consequent production and use of biogas and digestate and/or chemical products.

**Aligned:** Through the process of separately digesting the collected municipal waste, the Herambiente Group's three anaerobic digestion plants produce: 1) biogas, using it directly for electricity generation; 2) digestate, used as fertiliser. A monitoring and emergency plan is in place to minimise plant methane losses.  
Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

Composting

5.8  
CCM

**Composting of bio-waste**  
Construction and management of dedicated plants for the treatment of organic waste collected separately through composting (anaerobic digestion), with the consequent production and use of compost.

**Aligned:** The two Herambiente Group composting plants produce compost from organic waste collected separately. The compost produced is used as a fertilizer in accordance with EU and Italian legislation.  
Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

Municipal and industrial waste sorting plants



5.9  
CCM

**Recovery of materials from non-hazardous waste**  
Construction and operation of facilities for the sorting and transformation of separately collected non-hazardous waste streams into secondary raw materials involving mechanical reprocessing, except for backfilling purposes.

**Aligned:** A.C.R.'s inert crushing plant, the Soil Washing plant in Pisa, and five of the Herambiente Group's seven municipal waste and special non-hazardous waste sorting plants convert at least 50% of their waste into secondary raw materials or send more than 70% of their outgoing waste for recovery (safety threshold chosen to ensure compliance with the 50% conversion of secondary raw materials).  
Overall DNSH compliance for the applicable objectives.

**Not aligned:** The Marano plant of Vallortigara, the Santacroce Platform of Herambiente Servizi Industriali, the Ferrara sorting plant, and the Carbon Fibre plant of the Herambiente Group do not convert at least 50% of their waste into

<sup>4</sup> Activity 4.13 CCM was selected for the calculation of KPIs only with reference to those concerning the Spilamberto plant.

secondary raw materials or do not send more than 70% of their outgoing waste for recovery.

**Overlapping:** The activity overlaps with activity 2.7 EC - Sorting and material recovery of non-hazardous waste.

**2.7 CE Sorting and material recovery of non-hazardous waste**

Construction and operation of facilities for the sorting and transformation of separately collected non-hazardous waste streams into secondary raw materials involving mechanical reprocessing, except for backfilling purposes.

**Aligned:** A.C.R.'s, Herambiente's, Herambiente Servizi Industriali's, Recycla's, and Vallortigara's non-hazardous waste raw materials originate mainly from collected and transported sorted waste. For materials for which separate waste collection is mandatory, the activity converts at least 50%, by weight, of the separately collected non-hazardous waste into secondary raw materials suitable for the substitution of primary raw materials in production processes (except for the "not aligned" section). Overall DNSH compliance for the applicable objectives.

**Not Aligned:** with reference to Herambiente, only paper and board waste is converted by at least 50% into secondary raw materials suitable for replacing primary raw materials in production processes.

Landfill capture and utilisation

gas and

5.10 CCM

**Landfill gas capture and utilisation**

Installation and operation of infrastructures for the capture and use of landfill gas in permanently closed landfills or landfill cells, using new or additional dedicated engineering and equipment installed during or after the closure of the landfill or of the landfill cell.

**Aligned:** No permanently closed landfills have come into operation after 8 July 2020. The landfill gas produced is used to generate electricity or heat in the form of biogas. Methane emissions from landfills and leakages from landfill gas collection and utilization facilities are subject to the control and surveillance procedures set out in Attachment III of Council Directive 1999/31/EC. Overall DNSH compliance for the applicable objectives.

**Not aligned:** -

Remediation

2.3 PPC

**Remediation of legally non-conforming landfills and abandoned or illegal waste dumps**

Remediation of legally non-conforming landfills and abandoned or illegal waste dumps

**Aligned:** The operator who caused the pollution or a waste producer or a person acting on behalf of that operator does not carry out A.C.R.'s remediation activities; the relevant contaminants are removed, controlled, contained or reduced so that the contaminated area no longer presents a significant risk of causing harmful effects for human health and the environment. The activity is prepared and carried out in line with industry best practices. Overall DNSH compliance for the applicable objectives.

2.4 PPC

**Remediation of contaminated sites and areas**

Remediation of contaminated land and industrial areas

**Aligned:** ACR's clean-up activity shall not be undertaken by the polluter or waste producer or by a person acting on behalf of that operator, the relevant contaminants shall be removed, controlled, restricted or reduced so that the contaminated area no longer presents a significant risk of causing harmful effects to human health and the environment. The activity is prepared and carried out in line with industry best practices. The requirement that at least 70% of non-hazardous construction, demolition or other waste generated at the remediation site is prepared for reuse, recycling and other types of material recovery shall be met, including filling operations using waste to replace other materials. Overall compliance with DNSH criteria for applicable objectives.

**Not aligned:** -

Hazardous treatment



2.2  
PPC

**Treatment of hazardous waste**  
Treatment of hazardous waste

**Aligned:** Herambiente Servizi Industriali, and Recycla carry out this activity in accordance with the requirements set out in the conclusions of Best Available Techniques (BAT) for waste treatment or waste incineration. Receiving facilities are available with a laboratory for on-site sample analysis and documented standard operating procedures for analysis, with the option to subcontract analysis to accredited external laboratories under contract, documented sampling procedures, analysis of physical-chemical parameters relevant to treatment, and a dedicated area for quarantined storage of waste as well as written procedures for handling unaccepted waste. The dissolved organic carbon (DOC) limit for outgoing waste is met. The proportion of hazardous waste treated in compliance with the technical criteria is 87% of the total hazardous waste treated by the Group. Overall compliance with DNSH criteria for applicable objectives.

**Not aligned:** A.C.R. has neither an in-house laboratory nor a sampling procedure and does not conduct a documented analysis of the physical-chemical parameters relevant to the treatment. A.C.R. and Vallortigara do not comply with the dissolved organic carbon (DOC) limit for outgoing waste. The portion of hazardous waste these companies treat is 13% of the total hazardous waste treated by the Group.

**Overlapping:** The activity overlaps with activity 2.4 EC - Treatment of hazardous waste.

2.4  
CE  
**Treatment of hazardous waste**  
Treatment of hazardous waste

**Aligned:** Herambiente Servizi Industriali's and Recycla's activities consist of the recovery of secondary raw materials from source-separated hazardous waste. Recovered materials comply with industry specifications and replace primary raw materials including critical raw materials, or chemicals in production processes. Overall DNSH compliance for the applicable objectives.

**Not aligned:** at Herambiente Servizi Industriali's Via Malpasso platform, waste leaves the plant with operation code "R" without being classified as waste. No secondary raw materials are produced in Herambiente Servizi Industriali's Pozzilli purification plant.



Photovoltaic energy production

4.1  
CCM

**Electricity generation using solar photovoltaic technology**  
Construction or management of plants for the production of electricity using photovoltaic solar technology.

**Aligned:** Vallortigara's Marano plant, Recycla's two Maniago plants, the plants of Hera Spa's Business Unit "Production of Renewable Energy", HSE's Ducati plant, and Herambiente's plants produce electricity using photovoltaic solar technology. Overall DNSH compliance for the applicable objectives.

**Not aligned:**

Electricity distribution



4.9  
CCM

**Transmission and distribution of electricity**  
Construction and operation of transmission systems that transport electricity in the extra high and high voltage interconnected system.  
Construction and operation of distribution systems that carry electricity in high, medium and low voltage distribution systems.

**Aligned:** Inrete's and AcegasApsAmga's electricity distribution networks are part of an interconnected European system. The activity includes the installation of intelligent metering systems, as defined by the standard and the installation of equipment to specifically allow the exchange of renewable electricity between users. Overall DNSH compliance for the applicable objectives.

**Not aligned:** -



	Electrical mobility	7.4 CCM	<p><b>Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)</b></p> <p>Installation, maintenance and repair of charging stations for electric vehicles in buildings ((and parking spaces attached to buildings).</p>	<p><b>Aligned:</b> The activity consists in the installation, maintenance or repair of charging stations for electric vehicles. Overall DNSH compliance for the applicable objectives.</p> <p><b>Not aligned:</b> -</p>
	Gas network management and maintenance (compatible with low carbon gas)	4.14 CCM	<p><b>Transmission and distribution networks for renewable and low carbon emissions</b></p> <p>Conversion, change of use, or upgrading of gas networks for the transmission and distribution of renewable and low-carbon gases. Construction or operation of transmission and distribution pipelines for the transport of hydrogen or other low-carbon gases.</p>	<p><b>Aligned:</b> The upgrading of the gas distribution networks of Inrete, AcegasApsAmga and Marche Multiservizi enables hydrogen and other low-carbon gases to be integrated into the network, in line with the Ministerial Decree of 3 June 2022, which sets a maximum hydrogen blending threshold of 2%. The evaluation was confirmed by the first national experience of injecting hydrogen into the gas distribution network carried out by Inrete. The three Group companies conduct leak detection and repair of existing pipelines and other network components to reduce methane losses. Overall DNSH compliance for the applicable objectives.</p> <p><b>Not aligned:</b></p>
	Cogeneration	4.30 CCM	<p><b>High efficiency cogeneration of heat, cooling, and energy from gaseous fossil fuels</b></p> <p>Construction, renovation, and operation of combined heat/cooling and electricity plants using gaseous fuels. This activity does not include high efficiency cogeneration of heat/cooling and electricity from the exclusive use of renewable non-fossil gaseous and liquid fuels, and of biogas and bio-liquid fuels.</p>	<p><b>Aligned:</b> -</p> <p><b>Not aligned:</b> The HSE cogeneration plants, the industrial cogeneration plant, and the Imola cogeneration plant do not comply with the 100gCO2/kWh threshold for greenhouse gas emissions in the cogeneration life cycle.</p>
	Smart meter gas	7.5 CCM	<p><b>Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings</b></p> <p>Installation, maintenance, and repair of instruments and devices for measuring, regulating, and controlling the energy performance of buildings.</p>	<p><b>Aligned:</b> Inrete, AcegasApsAmga, and Marche Multiservizi conduct the installation, maintenance and repair on smart meters for gas, heating, cooling, and electricity. Overall DNSH compliance for the applicable objectives.</p> <p><b>Not aligned:</b> -</p>
	District heating (distribution)	4.15 CCM	<p><b>District heating/cooling distribution</b></p> <p>Construction, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling, ending at the sub-station or heat exchanger.</p>	<p><b>Aligned:</b> 41% of the thermal energy distributed (and sold) through pipelines and related infrastructure for heating and cooling distribution is generated by district heating systems that comply with the EU definition of efficient district heating. Overall DNSH compliance for the applicable objectives.</p> <p><b>Non-aligned:</b> 59% of the thermal energy distributed (and sold) through pipelines and related infrastructure for heating and cooling distribution is</p>

generated by systems that do not comply with the EU definition of efficient district heating.

District heating (produced with geothermal power)	4.22 CCM	<b>Production of heat/cooling from geothermal energy</b> Construction or management of plants that produce heat/cold from geothermal energy.	<b>Aligned:</b> The Ferrara geothermal plant produces heat and cooling while respecting the threshold of 100gCO <sub>2</sub> e/kWh of greenhouse gas emissions in the life cycle. Overall DNSH compliance for the applicable objectives  <b>Not aligned:</b> -
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District heating (production from cogeneration and thermal boilers)	4.31 CCM	<b>Production of heat/cooling from fossil gaseous fuels in an efficient district heating and cooling system</b> Construction, renovation, and operation of heat generation plants producing heat/cooling using gaseous fuels related to efficient district heating and cooling pursuant to Article 2(41) of Directive 2012/27/EU of the European Parliament and Council. This activity does not include the production of heat/cooling from efficient district heating and from the exclusive use of non-fossil renewable gaseous and liquid fuels and biogas and bio-liquid fuels.	<b>Aligned:</b> -  <b>Not aligned:</b> One of the four efficient district heating plants considered, which partially uses gaseous fossil fuel boilers, does not meet the 100gCO <sub>2</sub> /kWh GHG emissions threshold for the heat generation/cooling life cycle. Data is not available for the remaining three plants.
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Company fleet	6.5 CCM	<b>Transport by motorbikes, passenger cars and light commercial vehicles</b> Purchase, financing, rental, leasing, and operation of vehicles belonging to category M1, N1, both of which fall within the scope of Regulation (EC) no. 715/2007 of the European Parliament and of the Council, or L (vehicles with two or three wheels and quadricycles).	<b>Aligned:</b> Uniflotte purchases, leases, and manages light electric vehicles belonging to the M1 and N1 categories, which comply with the emission thresholds of 50gCO <sub>2</sub> /km (until 2025) and 0gCO <sub>2</sub> /km (from 2026). Overall DNSH compliance for the applicable objectives.  <b>Not aligned:</b> All non-electric light vehicles that Uniflotte purchases, leases, and manages, belonging to the M1 and N1 category, do not comply with the emission thresholds of 50gCO <sub>2</sub> /km (until 2025) and 0gCO <sub>2</sub> /km (from 2026).
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	6.6 CCM	<b>Freight transport services by road</b> Purchase, financing, leasing, rental, and operation of N1, N2, or N3 category vehicles falling within the scope of the EURO VI standard, stage E or later, for road haulage services.	<b>Aligned:</b> -  <b>Not aligned:</b> Uniflotte purchases, leases, and manages vehicles used for the transport of goods and belonging to categories N2 and N3 with a mass not exceeding 7.5 tonnes, which do not comply with the definition of "zero-emission heavy vehicle" as defined by EU legislation.
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Energy efficiency interventions and renewable energies	7.3 CCM	<b>Installation, maintenance and repair of energy efficiency equipment</b>  Individual renovation measures consisting of the	<b>Aligned:</b> HSE and Hera Comm carry out the activities of adding insulation to the components of the existing envelope, replacing existing windows with new energy-efficient windows, installing and replacing energy-efficient light sources, heating systems, ventilation, and air conditioning. Overall DNSH compliance for the applicable objectives.
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		installation, maintenance or repair of energy efficiency devices.	<b>Not aligned:</b> -
	7.6 CCM	<b>Installation, maintenance and repair of renewable energy technologies</b> Installation, maintenance and on-site repair of renewable energy technologies.	<b>Aligned:</b> Inrete, HSE, and Hera Comm carry out on-site installation, maintenance, and repairs of photovoltaic solar systems, solar panels for hot water, heat pumps, electrical or thermal energy storage units, micro-cogeneration plants, recovery systems/heat exchangers. Overall DNSH compliance for the applicable objectives.  <b>Not aligned:</b> -
Demolition and dismantling of industrial plants	3.3 CE	<b>Demolition and wrecking of buildings and other structures</b> Demolition of buildings, roads, plants, tanks, stacks	<b>Aligned:</b> -  <b>Not aligned:</b> A.C.R.'s activity does not fulfil the criterion that at least 90% (by mass in kilograms) of the non-hazardous construction and demolition waste generated on-site, excluding backfill, be prepared for re-use or be recycled.
Data Centre	8.1 CCM	<b>Data processing, hosting and related activities</b> Storing, manipulating, managing, moving, controlling, displaying, switching, interchanging, transmitting, or processing data through data centres, including edge computing.	<b>Aligned:</b> -  <b>Not aligned:</b> Acantho carries out the activity of management, movement, control, display, switching, interchange, transmission, or processing of data through data centres that do not comply with the expected practices contained in the European code of conduct on energy efficiency of data centres.

## Models for the Key Performance Indicators

### PORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY<sup>5</sup>

Financial Year n,	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum safeguards	Share of Turnover aligned or eligible for taxonomy year N-1	enabling activity	Transitional activity
	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity				
Economic Activities																			
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
<b>A. Activities eligible for Taxonomy</b>																			
<b>A.1. Eco-sustainable activities (aligned to Taxonomy)</b>																			
1.1 Manufacture of plastic packaging	1.1 CE	23,7 €	0,2%	N/EL	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.1 Collection and transport of hazardous waste</b> / 2.3 Collection and transport of non-hazardous and hazardous waste	<b>2.1 PPC</b> / 2.3 CE	3,8 €	0,0%	N/EL	N/EL	N/EL	<b>Yes</b>	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.1. Water supply</b> / 5.1 Construction, expansion and management of water collection, treatment and supply systems	<b>2.1 WTR</b> / 5.1 CCM	470,0 €	3,1%	Yes	N/EL	<b>Yes</b>	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	2,4%	-	-
<b>2.2 Treatment of hazardous waste</b> / 2.4 Treatment of hazardous waste	<b>2.2 PPC</b> /2.4 CE	15,7 €	0,1%	N/EL	N/EL	N/EL	<b>Yes</b>	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.2 Treatment of urban waste water</b> / 5.3 Construction, expansion and management of waste water collection and treatment systems	<b>2.2 WTR</b> / 5.3 CCM	268,5 €	1,8%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1,3%	-	-

<sup>5</sup> **Legenda:**

Yes – The activity is eligible for taxonomy and aligned with the taxonomy regarding the relevant environmental objective.

No – The activity is eligible for taxonomy but not aligned with the taxonomy regarding the relevant environmental objective.

N/EL – Not eligible; the activity is not eligible for taxonomy for the relevant objective.

EL – Eligible; activity is eligible for the relevant objective.

Bold – If the economic activity contributes substantially to more than one environmental objective, the contribution to the environmental objective used for the calculation of the KPIs shall be indicated in bold, avoiding double counting.

N-1 – In case of selection of an activity contributing to the new environmental objectives (WTR, EC and PPC) and overlapping with a Group activity contributing to the climate change mitigation objective, the share of N-1 relating to the overlapping activity already analysed in the Group's information for the year 2022. In case of selection of an activity contributing to the new environmental objectives and not overlapping with an activity of the Group contributing to the first two climate objectives, the share of N-1 because the activity was not analysed in the Group's information for the year 2022.

Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")							Minimum safeguards	Share of Turnover aligned or eligible for taxonomy Year N+1	enabling activity	Transitional activity			
	Activity Code	€ Total Turnover (millions of)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Y/N					Y/N	Y/N	Y/N
2.3 Remediation of non-compliant landfills and abandoned or illegal waste dumps	2.3 PPC	0,5 €	0,0%	N/EL	N/EL	N/EL	Yes	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-	-
2.4 Remediation of contaminated sites and areas	2.4 PPC	69,9 €	0,5%	N/EL	N/EL	N/EL	Yes	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-	-
2.5 Recovery of organic waste by anaerobic digestion or composting / 4.13. Production of biogas and biofuels / 5.7. Anaerobic digestion of organic transport waste and bioliquids	2.5 CE / 4.13 CCM / 5.7 CCM	16,7 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,1%	-	-
3.17. Manufacture of plastics in primary forms	3.17 CCM	100,8 €	0,7%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,7%	-	T
4.1. Production of electricity by photovoltaic solar technology	4.1 CCM	1,2 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
4.9. Transmission and distribution of electricity	4.9 CCM	81,0 €	0,5%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,6%	A	-
4.13. Production of biogas and biofuels for transport and bioliquids / 2.5 Recovery of organic waste by anaerobic digestion or composting	4.13-CCM / 2.5 CE	3,8 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,1%	-	-
4.14. Low carbon and renewable gas transmission and distribution networks	4.14 CCM	170,5 €	1,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,9%	-	-
4.15. Distribution of district heating/cooling	4.15 CCM	2,6 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
4.22. Production of heat/cold from geothermal energy	4.22 CCM	10,1 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
5.5. Collection and transport of non-hazardous waste in separate fractions at source / 2.3 Collection and transport of non-hazardous and hazardous waste	5.5 CCM / 2.3 CE	293,8 €	2,0%	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	1,7%	-	-
5.6. Digestion of sewage sludge	5.6 CCM	0,0 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
5.9. Recovery of materials from non-hazardous waste / 2.7 Sorting and recovery of materials from non-hazardous waste	5.9 CCM / 2.7 CE	0,2 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	Yes	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,2%	-	-
5.10. Capture and use of landfill gas	5.10 CCM	3,4 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	0,1 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	-	T
7.3. Installation, maintenance and repair of energy efficient devices	7.3 CCM	990,0 €	6,6%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	2,6%	A	-
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces belonging to buildings)	7.4 CCM	1,1 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	0,0%	A	-



Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum safeguards	Share of Turnover aligned or eligible for taxonomy, Year N+1	enabling activity	Transitional activity
Economic Activities	Activity Code	€ Total Turnover (millions of)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity		%	A	T
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
7.5. Installation, maintenance and repair of instruments and devices for measuring, adjusting and controlling the energy performance of buildings	7.5 CCM	34,4 €	0,2%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,2%	A	-
7.6. Installation, maintenance and repair of renewable energy technologies	7.6 CCM	82,9 €	0,6%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,4%	A	-
<b>Turnover of eco-sustainable activities (aligned with taxonomy) (A.1)</b>		<b>2.644,7 €</b>	<b>17,7%</b>	<b>11,9%</b>	<b>0,0%</b>	<b>4,9%</b>	<b>0,1%</b>	<b>0,3%</b>	<b>0,0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>11,2%</b>		
<b>Enabling</b>		<b>1.189,4 €</b>	<b>7,9%</b>	<b>7,9%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>-</b>	<b>A</b>	
<b>Transitional</b>		<b>100,9 €</b>	<b>0,7%</b>	<b>0,7%</b>						<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>-</b>		<b>T</b>
<b>A.2. Activities eligible for Taxonomy but not eco-sustainable (activities not aligned with Taxonomy)</b>																			
2.1 Collection and transport of hazardous waste / 2.3 Collection and transport of non-hazardous and hazardous waste	2.1 PPC / 2.3 CE	0,8 €	0,0%	N/EL	N/EL	N/EL	EL	EL	N/EL								-		
2.2 Treatment of hazardous waste / 2.4 Treatment of hazardous waste	2.2 PPC /2.4 CE	13,0 €	0,1%	N/EL	N/EL	N/EL	EL	EL	N/EL								-		
2.2 Treatment of urban waste water / 5.3 Construction, expansion and management of waste water collection and treatment systems	2.2 WTR / 5.3 CCM	32,0 €	0,2%	EL	N/EL	EL	N/EL	N/EL	N/EL								0,3%		
3.3. Demolition of buildings and other structures	3.3 CE	4,3 €	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								-		
4.15. Distribution of district heating/cooling	4.15 CCM	5,8 €	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,3%		
4.30. High heat/cold efficiency cogeneration and electricity from fossil gaseous fuels	4.30 CCM	57,5 €	0,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,5%		
4.31. Production of heat/cooling from gaseous fossil fuels in an efficient district heating and cooling system	4.31 CCM	2,4 €	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,0%		
5.9. Recovery of materials from non-hazardous waste / 2.7 Sorting and recovery of materials from non-hazardous waste	5.9 CCM / 2.7 CE	0,2 €	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								13,6%		
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	22,1 €	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,1%		
6.6 Freight transport services by road	6.6 CCM	32,9 €	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,2%		
8.1. Data processing, hosting and related activities	8.1 CCM	6,0 €	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,0%		
<b>Turnover of assets eligible for taxonomy but not eco-sustainable (activities not aligned with taxonomy) (A.2)</b>		<b>177,1 €</b>	<b>1,2%</b>	<b>0,8%</b>	<b>0,0%</b>	<b>0,2%</b>	<b>0,6%</b>	<b>0,0%</b>	<b>0,0%</b>								<b>1,5%</b>		

| Sustained shared value      | Pursuing carbon neutrality      | Regenerating resources and closing the circle      | Enabling resilience and innovating  
 | Governance and creating value      | Customers      | People      | Suppliers

Financial Year n.	2023		Criteria for the substantial contribution							DNSH Criteria ("Do Not Significant Harm")						Share of Turnover aligned or eligible for taxonomy, Year N+1	enabling activity	Transitional activity	
	Activity Code	€ Total Turnover (millions of)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity				Minimum safeguards guarantee
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
Turnover of assets eligible for taxonomy (A.1+A.2)		2.821,8 €	18,8%	12,7%	0,0%	5,1%	0,7%	0,3%	0,0%								12,7%		
<b>B. Activities not eligible for Taxonomy</b>																			
Turnover of assets not eligible for Taxonomy		12.155,0 €	81,2%																
<b>Total</b>		<b>14.976,8 €</b>	<b>100,0%</b>																

	Share of turnover/Total turnover	
	Aligned to Taxonomy by Objective	Eligible for Taxonomy by Objective
CCM	11,9%	12,7%
CCA	0,0%	0,0%
WTR	4,9%	5,1%
CE	0,3%	0,3%
PPC	0,6%	0,7%
BIO	0,0%	0,0%
TOT	17,7%	18,8%

**PORTION OF OPEX ARISING FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY<sup>6</sup>**

Financial Year n,	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum guarantee safeguards	Share of Opex aligned or eligible to taxonomy, year N-1	Enabling Activity	Transitional Activity
	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity				
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
<b>A. Activities eligible for Taxonomy</b>																			
<b>A.1. Eco-sustainable activities (aligned to Taxonomy)</b>																			
1.1 Manufacture of plastic packaging	1.1 CE	1,1 €	0,4%	N/EL	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.1 Collection and transport of hazardous waste</b> / 2.3 Collection and transport of non-hazardous and hazardous waste	<b>2.1 PPC</b> / 2.3 CE	0,5 €	0,2%	N/EL	N/EL	N/EL	<b>Yes</b>	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.1. Water supply</b> / 5.1 Construction, expansion and management of water collection, treatment and supply systems	<b>2.1 WTR</b> / 5.1 CCM	39,5 €	14,3%	Yes	N/EL	<b>Yes</b>	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	12,0%	-	-
<b>2.2 Treatment of hazardous waste</b> / 2.4 Treatment of hazardous waste	<b>2.2 PPC</b> / 2.4 CE	4,3 €	1,6%	N/EL	N/EL	N/EL	<b>Yes</b>	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.2 Treatment of urban waste water</b> / 5.3 Construction, expansion and management of waste water collection and treatment systems	<b>2.2 WTR</b> / 5.3 CCM	28,1 €	10,2%	Yes	N/EL	<b>Yes</b>	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	5,8%	-	-
2.4 Remediation of contaminated sites and areas	2.4 PPC	0,7 €	0,3%	N/EL	N/EL	N/EL	Yes	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
<b>2.5 Recovery of organic waste by anaerobic digestion or composting</b> / 4.13. Production of biogas and biofuels / 5.7. Anaerobic digestion of organic waste for transport and bioliquids	<b>2.5 CE</b> / 4.13 CCM / 5.7 CCM	3,7 €	1,4%	Yes	N/EL	N/EL	N/EL	<b>Yes</b>	N/EL	Y	Y	Y	Y	Y	Y	Y	0,7%	-	-

<sup>6</sup>Legenda

Yes – The activity is eligible for taxonomy and aligned with the taxonomy regarding the relevant environmental objective.

No – The activity is eligible for taxonomy but not aligned with the taxonomy regarding the relevant environmental objective.

N/EL – Not eligible; the activity is not eligible for taxonomy for the relevant objective.

EL – Eligible; activity is eligible for the relevant objective.

Bold – If the economic activity contributes substantially to more than one environmental objective, the contribution to the environmental objective used for the calculation of the KPIs shall be indicated in bold, avoiding double counting.

N-1 – In case of selection of an activity contributing to the new environmental objectives (WTR, EC and PPC) and overlapping with a Group activity contributing to the climate change mitigation objective, the share of N-1 relating to the overlapping activity already analysed in the Group's information for the year 2022. In case of selection of an activity contributing to the new environmental objectives and not overlapping with an activity of the Group contributing to the first two climate objectives, the share of N-1 because the activity was not analysed in the Group's information for the year 2022.

Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum safeguards	Share of Open aligned or eligible to taxonomy, Year N-1	Enabling Activity	Transitional Activity
Economic Activities	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity				
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
3.17. Manufacture of plastics in primary forms	3.17 CCM	4,1 €	1,5%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1,1%	-	T
4.1. Production of electricity by photovoltaic solar technology	4.1 CCM	0,9 €	0,3%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
4.13. Production of biogas and biofuels for transport and biofuels / 2.5 Recovery of organic waste by anaerobic digestion or composting	4.13-CCM / 2.5 CE	0 €	0,2%	Yes	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	0,6%	-	-
4.14. Low carbon and renewable gas transmission and distribution networks	4.14 CCM	16,7 €	6,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4,7%	-	-
4.15. Distribution of district heating/cooling	4.15 CCM	0,2 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	-	-
4.22. Production of heat/cold from geothermal energy	4.22 CCM	2,0 €	0,7%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,3%	-	-
4.9. Transmission and distribution of electricity	4.9 CCM	10,0 €	3,6%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	3,1%	A	-
5.5. Collection and transport of non-hazardous waste in separate fractions at source / 2.3 Collection and transport of non-hazardous and hazardous waste	5.5 CCM / 2.3 CE	2,0 €	0,7%	Yes	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	6,8%	-	-
5.8. Composting of organic waste	5.8 CCM	0,3 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
5.9. Recovery of materials from non-hazardous waste / 2.7 Sorting and recovery of materials from non-hazardous waste	5.9 CCM / 2.7 CE	2,7 €	1,0%	Yes	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	0,7%	-	-
5.10. Capture and use of landfill gas	5.10 CCM	0,0 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	-	-
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	0,1 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	-	T
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	7.5 CCM	5,4 €	1,9%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1,5%	A	-
7.6. Installation, maintenance and repair of renewable energy technologies	7.6 CCM	26,9 €	9,8%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	8,0%	A	-
<b>Opex of eco-friendly activities (aligned to taxonomy) (A.1)</b>		149,9 €	54,4%	26,1%	0,0%	24,6%	1,7%	1,8%	0,0%	Y	Y	Y	Y	Y	Y	Y	45,5%		
	<b>Enabling</b>	42,3 €	15,4%	15,4%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	-	A	
	<b>Transitional</b>	4,1 €	1,5%	1,5%						Y	Y	Y	Y	Y	Y	Y	-		T

Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum safeguards	Share of Open aligned or eligible to taxonomy, Year N-1	Enabling Activity	Transitional Activity
Economic Activities	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity				
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
<b>A.2. Activities eligible for Taxonomy but not eco-sustainable (activities not aligned with Taxonomy)</b>																			
2.1 Collection and transport of hazardous waste / 2.3 Collection and transport of hazardous waste	2.1 PPC / 2.3 CE	0,2 €	0,1%	N/EL	N/EL	N/EL	EL	EL	N/EL								-		
2.2 Treatment of hazardous waste / 2.4 Treatment of hazardous waste	2.2 PPC /2.4 CE	0,6 €	0,2%	N/EL	N/EL	N/EL	EL	EL	N/EL								-		
2.2 Treatment of urban waste water / 5.3 Construction, expansion and management of waste water collection and treatment systems	2.2 WTR / 5.3 CCM	3,5 €	1,3%	EL	N/EL	EL	N/EL	N/EL	N/EL								0,8%		
4.15. Distribution of district heating/cooling	4.15 CCM	0,5 €	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,1%		
4.30. High heat/cold efficiency cogeneration and electricity from fossil gaseous fuels	4.30 CCM	7,7 €	2,8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5,8%		
4.31. Production of heat/cooling from gaseous fossil fuels in an efficient district heating and cooling system	4.31 CCM	0,0 €	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,0%		
5.9. Recovery of materials from non-hazardous waste / 2.7 Sorting and recovery of materials from non-hazardous waste	5.9 CCM / 2.7 CE	0,5 €	0,2%	EL	N/EL	N/EL	N/EL	AM	N/EL								0,2%		
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	15,2 €	5,5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2,8%		
6.6 Freight transport services by road	6.6 CCM	23,9 €	8,7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6,6%		
8.1. Data processing, hosting and related activities	8.1 CCM	3,5 €	1,3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1,2%		
<b>Opex of assets eligible for taxonomy but not eco-sustainable (activities not aligned with taxonomy) (A.2)</b>		<b>55,8 €</b>	<b>20,2%</b>	<b>18,7%</b>	<b>0,0%</b>	<b>1,3%</b>	<b>0,6%</b>	<b>0,0%</b>	<b>0,0%</b>								<b>17,5%</b>		
<b>Opex of assets eligible for taxonomy (A.1+A.2)</b>		<b>205,7 €</b>	<b>74,7%</b>	<b>44,7%</b>	<b>0,0%</b>	<b>25,8%</b>	<b>2,3%</b>	<b>1,8%</b>	<b>0,0%</b>								<b>63,0%</b>		
<b>B. Activities not eligible for Taxonomy</b>																			
<b>Opex of activities not eligible for Taxonomy</b>		<b>69,9 €</b>	<b>25,3%</b>																
<b>Total</b>		<b>275,6 €</b>	<b>100,0%</b>																

| Sustained shared value | Pursuing carbon neutrality | Regenerating resources and closing the circle | Enabling resilience and innovating the circle  
 | Governance and creating value | Customers | People | Suppliers

	Share of Opex/Opex total	
	Aligned to Taxonomy by Objective	Eligible for Taxonomy by Objective
CCM	26,1%	44,7%
CCA	0,0%	0,0%
WTR	24,6%	25,8%
CE	1,8%	1,8%
PPC	2,0%	2,3%
BIO	0,0%	0,0%
TOT	54,4%	74,7%

### PORTION OF CAPEX ARISING FROM PRODUCTS OR SERVICES ASSOCIATED WITH ECONOMIC ACTIVITIES ALIGNED WITH THE TAXONOMY<sup>7</sup>

Financial Year n,	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum guarantee safeguards	Share of Capex aligned or eligible to taxonomy, year N-1	Enabling Activity	Transitional Activity
	Economic Activities	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy				
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
<b>A. Activities eligible for Taxonomy</b>																			
<b>A.1. Eco-sustainable activities (aligned to Taxonomy)</b>																			
1.1 Manufacture of plastic packaging	1.1 CE	1,1 €	0,1%	N/EL	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-

<sup>7</sup> **Legenda**

Yes – The activity is eligible for taxonomy and aligned with the taxonomy regarding the relevant environmental objective.

No – The activity is eligible for taxonomy but not aligned with the taxonomy regarding the relevant environmental objective.

N/EL – Not eligible; the activity is not eligible for taxonomy for the relevant objective.

EL – Eligible; activity is eligible for the relevant objective.

Bold– If the economic activity contributes substantially to more than one environmental objective, the contribution to the environmental objective used for the calculation of the KPIs shall be indicated in bold, avoiding double counting.

N-1 – In case of selection of an activity contributing to the new environmental objectives (WTR, EC and PPC) and overlapping with a Group activity contributing to the climate change mitigation objective, the share of N-1 relating to the overlapping activity already analysed in the Group's information for the year 2022. In case of selection of an activity contributing to the new environmental objectives and not overlapping with an activity of the Group contributing to the first two climate objectives, the share of N-1 because the activity was not analysed in the Group's information for the year 2022.



Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum safeguards	Share of Capex aligned or eligible to taxonomy, Year N-1	Enabling Activity	Transitional Activity
Economic Activities	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity				
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes; No; N/EL	Yes; No; N/EL	Yes; No; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
2.1 Collection and transport of hazardous waste / 2.3 Collection and transport of hazardous waste	2.1 PPC / 2.3 CE	0,3 €	0,0%	N/EL	N/EL	N/EL	Yes	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
2.1. Water supply / 5.1 Construction, expansion and management of water collection, treatment and supply systems	2.1 WTR / 5.1 CCM	123,8 €	15,2%	Yes	N/EL	Yes	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	16,1%	-	-
2.2 Treatment of hazardous waste / 2.4 Treatment of hazardous waste	2.2 PPC / 2.4 CE	19,7 €	2,4%	N/EL	N/EL	N/EL	Yes	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
2.2 Treatment of urban waste water / 5.3 Construction, expansion and management of waste water collection and treatment systems	2.2 WTR / 5.3 CCM	76,2 €	9,3%	Yes	N/EL	Yes	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	8,8%	-	-
2.4 Remediation of contaminated sites and areas	2.4 PPC	1,2 €	0,2%	N/EL	N/EL	N/EL	Yes	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-	-	-
2.5 Recovery of organic waste by anaerobic digestion or composting / 4.13. Production of biogas and biofuels / 5.7. Anaerobic digestion of organic transport waste and bioliquids	2.5 CE / 4.13 CCM / 5.7 CCM	6,3 €	0,8%	Yes	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	0,2%	-	-
3.17. Manufacture of plastics in primary forms	3.17 CCM	10,8 €	1,3%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1,1%	-	T
4.1. Production of electricity by photovoltaic solar technology	4.1 CCM	5,5 €	0,7%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
4.9. Transmission and distribution of electricity	4.9 CCM	53,1 €	6,5%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	6,4%	A	-
4.13. Production of biogas and biofuels for transport and bioliquids / 2.5 Recovery of organic waste by anaerobic digestion or composting	4.13-CCM / 2.5 CE	3 €	0,4%	Yes	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	1,9%	-	-
4.14. Low carbon and renewable gas transmission and distribution networks	4.14 CCM	75,4 €	9,2%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	10,1%	-	-
4.15. Distribution of district heating/cooling	4.15 CCM	3,4 €	0,4%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,3%	-	-
4.22. Production of heat/cold from geothermal energy	4.22 CCM	1,4 €	0,2%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	-	-
5.5. Collection and transport of non-hazardous waste in separate fractions at source / 2.3 Collection and transport of non-hazardous and hazardous waste	5.5 CCM / 2.3 CE	31,2 €	3,8%	Yes	N/EL	N/EL	N/EL	Yes	N/EL	Y	Y	Y	Y	Y	Y	Y	4,4%	-	-
5.6. Digestion of sewage sludge	5.6 CCM	1,4 €	0,2%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	-	-
5.8. Composting of organic waste	5.8 CCM	0,7 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	S	S	S	S	S	S	0,0%	-	-
5.9. Recovery of materials from non-hazardous waste / 2.7 Sorting and recovery of materials from non-hazardous waste	5.9 CCM / 2.7 CE	4,9 €	0,6%	Yes	N/EL	N/EL	N/EL	Si	N/EL	Y	Y	Y	Y	Y	Y	Y	0,4%	-	-

Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")						Minimum safeguards	Share of Capex aligned or eligible to taxonomy, Year N-1	Enabling Activity	Transitional Activity
Economic Activities	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity		%	A	T
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
5.10. Capture and use of landfill gas	5.10 CCM	0,1 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	-	-
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	0,0 €	0,0%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,0%	-	T
7.3. Installation, maintenance and repair of energy efficient devices	7.3 CCM	1,2 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,2%	A	-
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces belonging to buildings)	7.4 CCM	0,8 €	0,1%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	A	-
7.5. Installation, maintenance and repair of instruments and devices for measuring, adjusting and controlling the energy performance of buildings	7.5 CCM	30,7 €	3,8%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4,5%	A	-
7.6. Installation, maintenance and repair of renewable energy technologies	7.6 CCM	2,2 €	0,3%	Yes	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0,1%	A	-
<b>Capex of eco-friendly activities (aligned to taxonomy) (A.1)</b>		<b>454,7 €</b>	<b>55,7%</b>	<b>27,7%</b>	<b>0,0%</b>	<b>24,5%</b>	<b>2,4%</b>	<b>0,9%</b>	<b>0,0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>54,7%</b>		
	<b>Enabling</b>	<b>88,1 €</b>	<b>10,8%</b>	<b>10,8%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>0,0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>-</b>	<b>A</b>	
	<b>Transitional</b>	<b>10,8 €</b>	<b>1,3%</b>	<b>1%</b>						<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>-</b>		<b>T</b>
<b>A.2. Activities eligible for Taxonomy but not eco-sustainable (activities not aligned with Taxonomy))</b>																			
2.1 Collection and transport of hazardous waste / 2.3 Collection and transport of non-hazardous and hazardous waste	2.1 PPC / 2.3 CE	0,0 €	0,0%	N/EL	N/EL	N/EL	EL	EL	N/EL								-		
2.2 Treatment of hazardous waste / 2.4 Treatment of hazardous waste	2.2 PPC / 2.4 CE	1,3 €	0,2%	N/EL	N/EL	N/EL	EL	EL	N/EL								-		
2.2 Treatment of urban waste water / 5.3 Construction, expansion and management of waste water collection and treatment systems	2.2 WTR / 5.3 CCM	7,8 €	1,0%	EL	N/EL	EL	N/EL	N/EL	N/EL								0,8%		
4.15. Distribution of district heating/cooling	4.15 CCM	4,3 €	0,5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,1%		
4.30. High heat/cold efficiency cogeneration and electricity from fossil gaseous fuels	4.30 CCM	7,3 €	0,9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5,8%		
4.31. Production of heat/cooling from gaseous fossil fuels in an efficient district heating and cooling system	4.31 CCM	0,6 €	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,0%		
5.9. Recovery of materials from non-hazardous waste / 2.7 Sorting and recovery of materials from non-hazardous waste	5.9 CCM / 2.7 CE	4,7 €	0,6%	EL	N/EL	N/EL	N/EL	EI	N/EL								0,2%		
6.5. Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	3,5 €	0,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2,8%		

Sustained shared value | Pursuing carbon neutrality | Regenerating resources and closing the circle | Enabling resilience and innovating  
 Governance and creating value | Customers | People | Suppliers

Financial Year n.	2023			Criteria for the substantial contribution						DNSH Criteria ("Do Not Significant Harm")							Share of Capex aligned or eligible to taxonomy, Year N-1	Enabling Activity	Transitional Activity
	Activity Code	Total Turnover (millions of €)	Share of turnover	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Mitigation	Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards			
Text		€	%	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Yes;No;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
6.6 Freight transport services by road	6.6 CCM	5,7 €	0,7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								6,6%		
8.1. Data processing, hosting and related activities	8.1 CCM	1,6 €	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1,2%		
<b>Capex of assets eligible for taxonomy but not eco-sustainable (activities not aligned with taxonomy) (A.2)</b>		36,9 €	4,5%	3,4%	0,0%	1,0%	0,3%	0,0%	0,0%								5,8%		
<b>Capex of assets eligible for taxonomy (A.1+A.2)</b>		491,6 €	60,3%	31,1%	0,0%	25,5%	2,8%	0,9%	0,0%								60,5%		
<b>B. Activities not eligible for Taxonomy</b>																			
<b>Capex of activities not eligible for Taxonomy</b>		324,2 €	39,7%																
<b>Total</b>		815,8 €	100,0%																

	Share of capex/capex total	
	Aligned to Taxonomy by Objective	Eligible for Taxonomy by Objective
CCM	27,7%	31,1%
CCA	0,0%	0,0%
WTR	24,5%	25,5%
CE	0,9%	0,9%
PPC	2,6%	2,8%
BIO	0,0%	0,0%
TOT	55,7%	60,3%

## NUCLEAR AND FOSSIL-GAS RELATED ACTIVITIES

Further information on electricity generation from nuclear and gas activities

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

## NUCLEAR AND FOSSIL GAS-RELATED ECONOMIC ACTIVITIES ELIGIBLE FOR BUT NOT ALIGNED WITH THE TAXONOMY

Row	Economic activities	Amount and portion (present information in monetary figures and percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptations (CCM)	
		amount (mn€)	%	amount (mn€)	%	amount (mn€)	%
<b>Turnover</b>							
(...)							
5	Amount and portion of economic activity conforming to the taxonomy of section 4.30 of Attachments I and II of the Delegated Regulation 2021/2139 in the turnover denominator	57.5	0.0	57.5	0.0	-	0.0
6	Amount and portion of economic activity conforming to the taxonomy of section 4.31 of Attachments I and II of the Delegated Regulation 2021/2139 in the turnover denominator	2.4	0.0	2.4	0.0	-	0.0
(...)							
7	Amount and portion of other economic activities eligible for but not aligned with the taxonomy and not indicated in rows 1 to 6 above in the turnover denominator	117.1	0.0	117.1	0.0	-	0.0
8	Total amount and percentage of economic activities eligible for but not aligned with the turnover denominator	177.1	0.0	177.1	0.0	-	0.0
<b>CAPEX</b>							
(...)							
5	Amount and portion of economic activity conforming to the taxonomy of section 4.30 of Attachments I and II of the Delegated Regulation 2021/2139 in the turnover denominator	7.3	0.0	7.3	0.0	-	0.0
6	Amount and portion of economic activity conforming to the taxonomy of section 4.31 of Attachments I and II of the Delegated Regulation 2021/2139 in the turnover denominator	0.6	0.0	0.6	0.0	-	0.0
(...)							
7	Amount and portion of other economic activities eligible for but not aligned with the taxonomy and not indicated in rows 1 to 6 above in the turnover denominator	29.0	0.0	29.0	0.0	-	0.0
8	Total amount and percentage of economic activities eligible for but not aligned with the turnover denominator	36.9	0.0	36.9	0.0	-	0.0
<b>OPEX</b>							
(...)							
5	Amount and portion of economic activity conforming to the taxonomy of section 4.30 of Attachments I and II of the Delegated Regulation 2021/2139 in the turnover denominator	7.7	0.0	7.7	0.0	-	0.0
6	Amount and portion of economic activity conforming to the taxonomy of section 4.31 of Attachments I and II of the Delegated Regulation 2021/2139 in the turnover denominator	0.0	0.0	0.0	0.0	-	0.0
(...)							
7	Amount and portion of other economic activities eligible for but not aligned with the taxonomy and not indicated in rows 1 to 6 above in the turnover denominator	48.0	0.2	48.0	0.2	-	0.0
8	Total amount and percentage of economic activities eligible for but not aligned with the turnover denominator	55.8	0.2	55.8	0.2	-	0.0