

# 2021



## CONSOLIDATED NON-FINANCIAL DISCLOSURE

Pursuant to Italian Legislative Decree no. 254 of 2016





For information or comments on this disclosure  
an email can be sent to [comunicazione@dolomitienergia.it](mailto:comunicazione@dolomitienergia.it)

On the cover: Waterfall at Careser Lake, Val di Pejo  
Dolomiti Energia Group Archive, Photo by Tommaso Prugnola

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# Letter to Stakeholders

Dear Stakeholders,

The fifth Non-Financial Disclosure of the Dolomiti Energia Group is an opportunity to share the activities carried out and the results achieved over the last year, placing environmental, economic and social sustainability at the centre of our strategy through a development model aimed at generating a positive impact on communities. For the Dolomiti Energia Group, awareness of the role of its activities in the quality of life of the communities and areas where it operates translates into a corporate culture based on transparency, a spirit of service, the centrality of people, respect for the environment, and constant improvement in the daily lives of citizens and customers: a management approach that aims to generate competitive services and value shared with the communities.

Also in a year as complex as 2021, the commitment to the promotion of plans and projects continued, with the aim of further boosting the Group's competitiveness on the market and responding to future challenges to ensure the responsible growth of the business. An approach which in 2021 involved important initiatives for the digitalisation of processes, services and products in the areas of smart grids, sustainable mobility, remote working and connectivity. During the year we continued to implement solutions for the evolution and digitalisation of corporate processes in the context of the administration and advanced management of smart networks and industry 4.0, and continued a partnership with Microsoft focused on the digital transformation of the Energy & Utilities sector. In line with the Group's core business and in order to tangibly contribute to the implementation of the national digitalisation objectives set out in the National Recovery and Resilience Plan (NRRP), the Group acquired 25% of the share capital of Tecnodata Trentina, initiating a partnership for the joint development of ultra-broadband connectivity services. This will make a service such as internet connection - which is now essential to the daily lives of citizens and businesses - more accessible, even in the most remote and sparsely populated areas of the province of Trento.

In addition to digitalisation, we are also committed to the circular economy; after an experimental phase, we commissioned a plant capable of extracting biomethane from organic waste. Once this fuel has been introduced into the national distribution network, it will then be used to power city buses serving the same citizens who produced the waste.

The implementation of energy-saving initiatives at customer and partner properties, the improvement of the energy efficiency of public lighting in certain municipalities, and the offer for business and retail custom-

Massimo De Alessandri  
Dolomiti Energia Group Chairman



ers to receive energy exclusively from renewable sources, cogeneration, or the production of biomethane and energy from the organic fraction all continued. The commitment to the circular economy was also consolidated by maintaining excellent levels of separate waste collection in the local areas served and enriched with the launch of a series of preliminary actions for the introduction of circular economy practices in procurement and internal catering services.

A number of initiatives dedicated to schools were promoted on the subject of clean water and responsible consumption. These projects were aimed at improved waste differentiation and the reuse of resources; for example, the educational programme "Raffaello il lombrichello" involved the primary schools of Rovereto on the subject of differentiated waste collection, and the donation of water bottles to the city's children attending primary and secondary schools raised awareness on the sustainable consumption of tap water. In 2021 the Group continued to make an important contribution to supporting national and provincial strategies in the area of decarbonisation, energy transition and combating climate change. The commitment to reducing climate-changing emissions saw the acquisition in 2021 of 33% of the share capital of EPO, a company active in the flexibility and energy management sector, as well as the establishment of Dolomiti Transition Assets, a company dedicated to investments in renewable energy plants, energy communities and storage. A new partnership was also formed in 2021, finalised to develop the green hydrogen supply chain in the Province of Trento.

Initiatives relating to the efficient use of resources and climate protection promoted dedicated solutions for customers to save energy and analyse and reduce consumption, as well as energy offers which include services to improve the energy efficiency of buildings. During the year, customers on the free market were also offered the choice of using exclusively gas with a neutral environmental impact thanks to the compensation of the CO<sub>2</sub> emitted by its use.

In line with our local and national e-mobility plans and the EU's targets for reducing the carbon dioxide emissions of vehicles, through our holding in Neogy we continued to work on the widespread extension of the current regional infrastructure of charging stations with 107 new charging points, powered with 100% renewable energy, installed during the year. In order to ensure the continuity and quality of our services to citizens, we continued with our measures to bolster the safety, security and resilience of our networks,

particularly the electricity distribution and sewage networks, now increasingly subject to extreme weather events.

In order to generate a positive impact on communities and offer families innovative tools able to integrate the energy requirements of individuals with the collective need for greater social and environmental sustainability, partnerships such as Etika and Sinergika were consolidated, which offer concrete and accessible opportunities to save energy, use 100% clean energy and make an everyday contribution to initiatives to protect the environment and safeguard future generations or social and charity projects. In line with the Business Plan, which provides the guidelines for the Group's future development, activities consistent with the sustainability goals of the UN Agenda were planned particularly in the area of energy production from renewable sources and the development of innovative services connected with consolidated activities like energy efficiency, e-mobility and smart cities. In order to make our energy services accessible to an ever greater number of people, we continued to develop the gas and electricity distribution networks through the acquisition of the electricity distribution networks of the municipality of Castello Molina di Fiemme. In 2021, in order to facilitate work-life balance and enable employees to manage their work more flexibly, the Group sales company continued to develop the initiatives envisaged by the Family Audit certification. Over the last year, the Group addressed the assessment of risk scenarios related to the health emergency and its impact on workers' health and safety, business continuity, regulatory compliance, cybersecurity and risks related to the impact on business and energy markets due to increases in energy commodity prices and the Ukrainian geopolitical situation. As regards workplace safety, the activities conducted to reduce the frequency and severity of accidents will continue in 2022 through projects aimed at implementing models promoting safe behaviour, based on the BBS (Behaviour Based Safety) method, at Set, Dolomiti Ambiente and in the operational sectors of the Holding Company (Laboratory and Warehouse). In 2022 we will continue to promote and raise awareness of the more sustainable use of resources and correct waste sorting among the public. More steps will be taken to review and optimise operating processes with the aim of increasing overall efficiency and reducing the use of paper, thanks to the implementation of paperless processes and the adoption of information systems for the digitalisation of the field activities of operating staff (Work Force Management). In order to optimise the services offered to citizens, the distribution companies continued to experiment in 2021 with training operational staff through technological facilitators such as virtual reality and the use of new technologies such as drones to support operations. The Group continued to promote actions to mitigate the social impact of the Covid 19 epidemic during the year, such as the allocation of 250,000 euros to the "In Fondo Speranza" solidarity fund to support individuals and families who have suffered the economic consequences of the pandemic, and continued with initiatives focused on the health and safety of individuals, which included various actions to protect the community, customers and employees. In particular, in order to mitigate the higher costs due to the increase in the price of energy products, the Group allowed its customers to request bill payment in instalments.

The Dolomiti Energia Group has always been attentive to protecting the health and well-being of its workers, and as it has done since the first moments of the emergency, it continued remote work in 2021, which

in the most critical periods of the year saw 30% of non-operational staff working remotely. Employees were continually given protective devices and instructions on behaviour and good practices to adopt to protect their health, and a psychological help desk was set up. In addition, all employees were offered the possibility of rapid testing in the event of positive contacts at work.

Lastly, Dolomiti Energia continued providing aid to the local community and to the most fragile people with dedicated initiatives such as Etika, which in 2021 included an allocation to the fund for supporting social innovation projects. The outbreak of the conflict in Ukraine saw the Group activate substantial solidarity initiatives to support the reception of people fleeing the war.

The sustainability strategy of the Dolomiti Energia Group seeks to integrate, in an increasingly organic way, business and responsibility in its various sectors of activity: ethics, safe and secure infrastructure, respect for people, smart and flexible networks, user-friendliness, efficiency and reuse of resources, accessible services, energy transition, decarbonisation, sustainable water management, workplace safety, human rights, the safeguarding of resources and responsible consumption. The Group's commitment and challenge in 2022, which continues to be a complicated context, will be to address the complexities and continue to provide people with excellent services for everyday life, with the aim of creating long-term shared value and development and a better future for everyone.

The Chairman  
**Massimo De Alessandri**

# The Dolomiti Energia Group

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**1 million**  
tonnes of carbon  
dioxide prevented  
thanks to 100%  
green supplies  
(1 million tonnes in  
2020)

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**97.8%**  
Energy generated  
from renewable  
sources  
(98.3% in 2020)

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**1,418**  
people  
(1,434 in 2020)

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**63%**  
public  
shareholders

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**3,513 GWh**  
energy generated  
(3,991 GWh in 2020)

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**2,181**  
million euro total  
revenue and other  
income  
(1,397 in 2020)

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**83.54%**  
average separate  
waste collection  
(Trento Rovereto)  
(82.6% in 2020)

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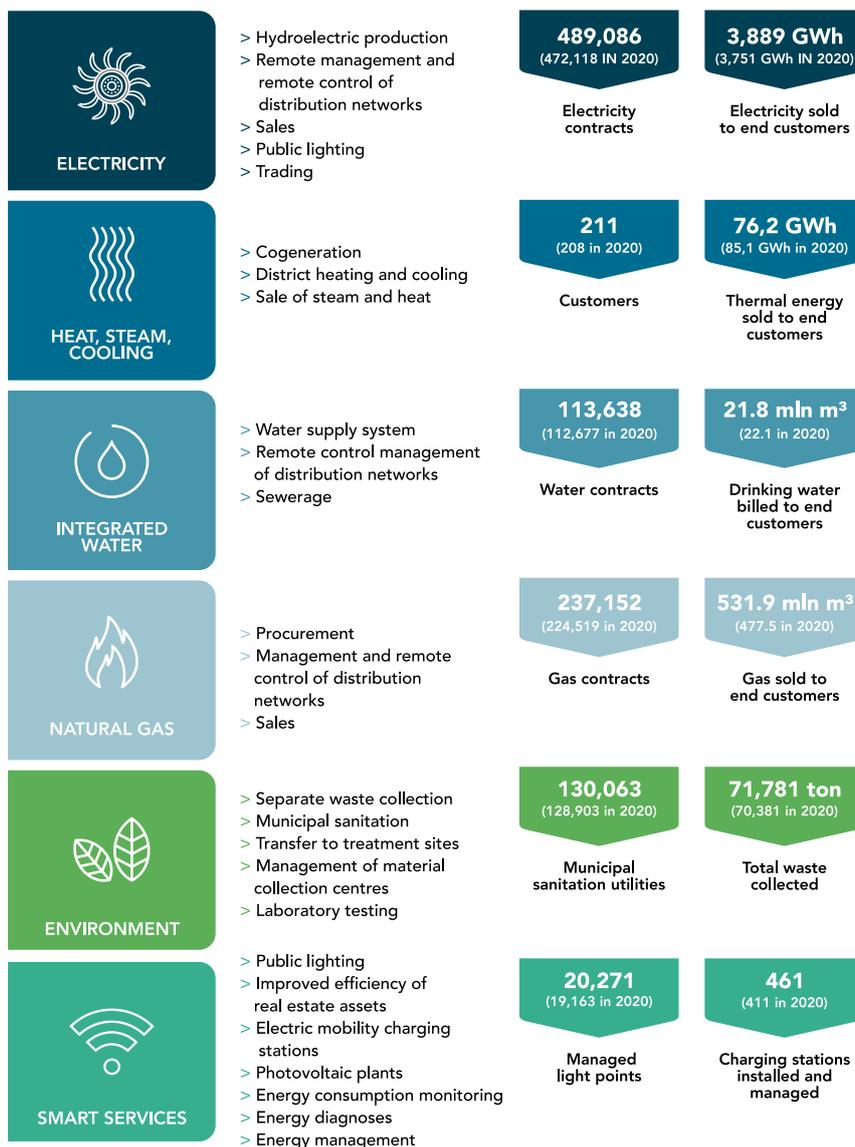
**105.7**  
million euro  
investments  
(87.7 million euro in  
2020)

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# Profile and main activities

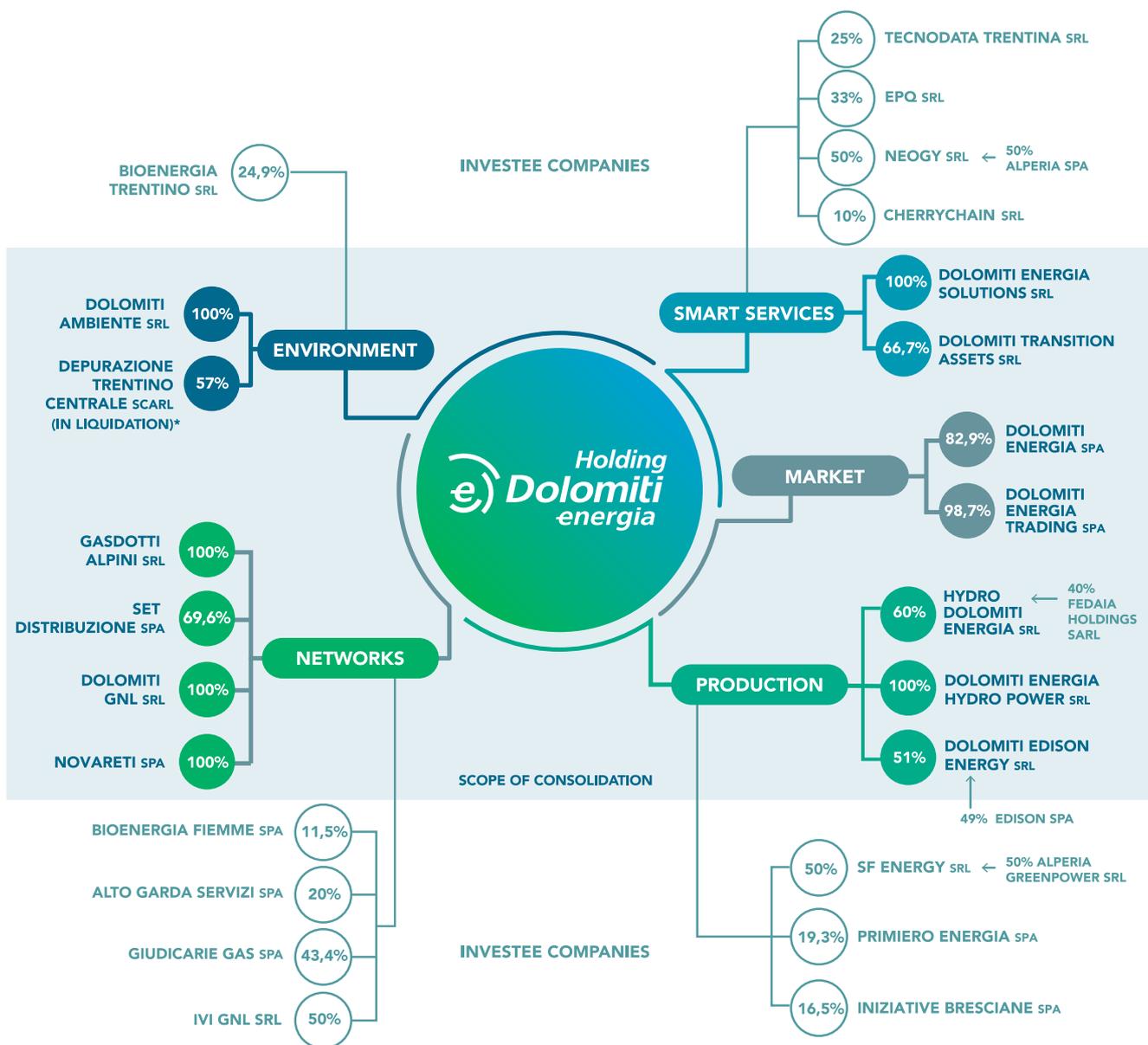
The Dolomiti Energia Group was founded under the name Trentino Servizi about 20 years ago following the merger of SIT and ASM, the historic public services companies of Trento and Rovereto. Today the Group is one of the biggest multi-utility companies in Italy. The Group is active across the entire energy supply chain (production, distribution and sale of electricity, distribution and sale of gas, cogeneration and district heating), in the management of the integrated water service (drinking water, sewerage and purification), the management of environmental services (collection, waste disposal, street sweeping, laboratory testing), public lighting services and in the energy efficiency and e-mobility field.

## ACTIVITIES MANAGED



For more information on the quantitative and economic data, please refer to the 2021 Report on Operations published on the website [www.gruppodolomitienergia.it](http://www.gruppodolomitienergia.it)

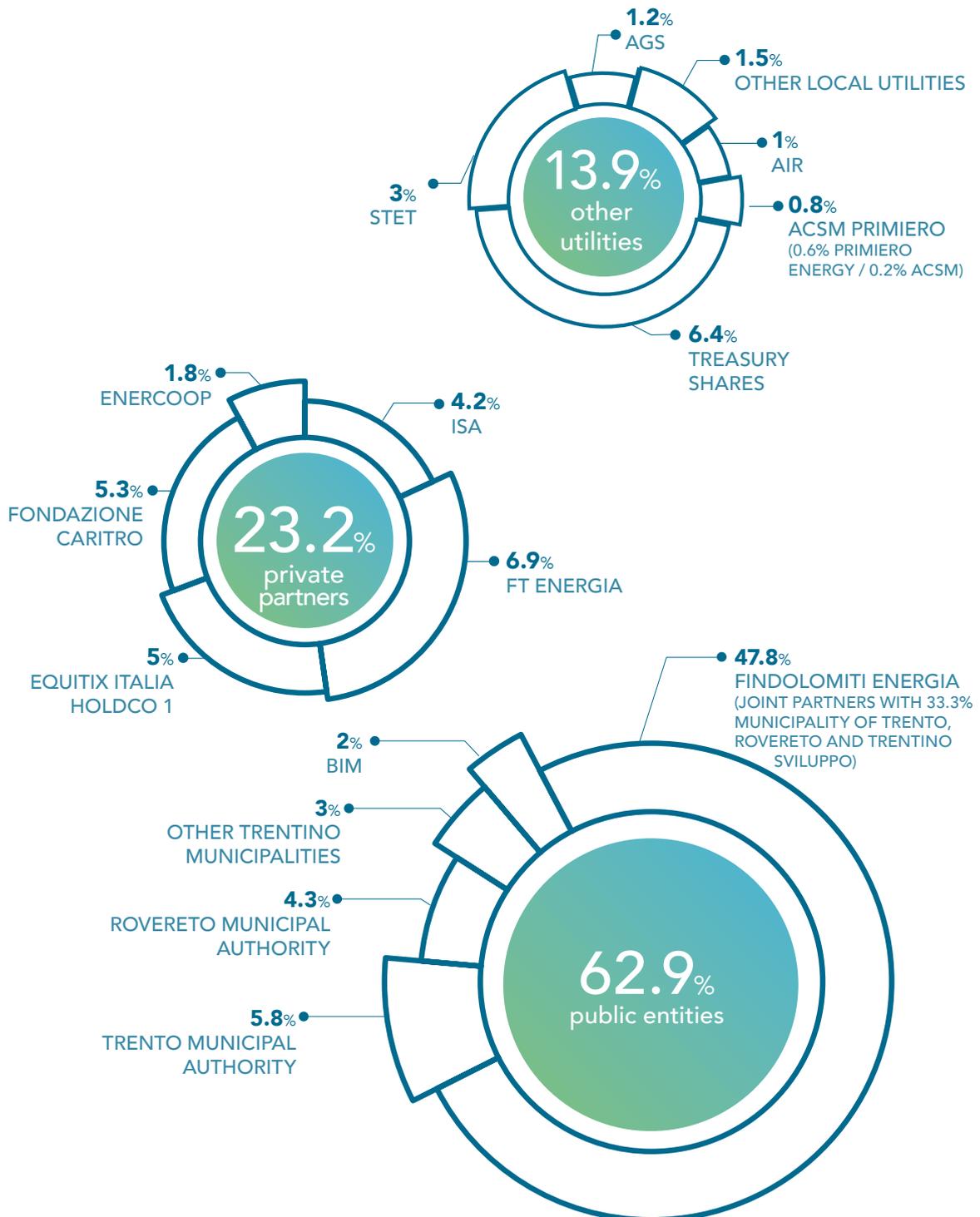
# CORPORATE STRUCTURE



\* Depurazione Trentino Centrale has not been included in the reporting boundary as it is non-operational and has immaterial non-financial impacts

## OWNERSHIP STRUCTURE

The Dolomiti Energia Group is fully controlled by Dolomiti Energia Holding SpA, on which the various operational companies depend. Dolomiti Energia Holding's reference shareholders are the municipalities of Rovereto and Trento and the Autonomous Province of Trento. The Municipalities of Mori, Ala, Volano, Caliano and Grigno, together with many other Trentino municipalities, also hold investments in the company, totalling 3% of the share capital.



## Mission and values

The historical presence in the province of the companies that gave rise to the Dolomiti Energia Group has reinforced an image which evokes safety, ecology and quality of service in the minds of its customers. The Group aims to consolidate and reinforce this image, above all in the current period of heated competition and growing market complexity, by committing itself to its customers and to its stakeholders inside and outside to a continuous and gradual improvement of the service and of performance, both environmental and health and safety. This commitment takes concrete form through strong technological innovation capabilities and attention to social aspects, aimed at efficiently meeting the needs of customers and communities by optimising the processes and singling out integrated and customised solutions focusing on protecting the environment and guaranteeing improvement in the health and safety conditions for the company's personnel and its external collaborators.

The starting point for the strategies of the Dolomiti Energia Group and the first ethical principle characterising its actions is observance of the instructions given by the Competent Authorities in compliance with the applicable laws. The Group has also chosen to play an active role in sustainable development issues (sustainable by nature and by choice), as they are in line with its way of doing business. The Group's activities play a central role in the European Green Deal and important initiatives have thus been planned and launched in line with the Climate Change - flagship initiatives promoted by the European Union. The attention paid to sustainability issues, in particular those related to climate change and the environment in general, is the foundation for the framework of values that inspire the policies and operational choices of the Dolomiti Energia Group. These take the form of the following points.

### CUSTOMERS

Knowledge of citizens' needs and its bond with the territory are the primary references of the company's business, which aims at satisfying customers and at integrating and continuously improving the quality of the services it offers. This is why the Dolomiti Energia Group considers having direct contact with the customer and creating a relationship based on the following values as essential:

- **Trust:** building trusting relationships with customers through conduct marked by expertise, reliability, honesty and the habit of guiding customers to the most advantageous solutions;
- **Helpfulness and flexibility:** the ability to adapt to the needs of customers;
- **Clarity** in providing simple and understandable answers;
- **Attention**, listening to customers in order to understand their expectations, even if not obvious;
- **Reliability**, keeping commitments and respecting them, always.

## HUMAN RESOURCES

The Dolomiti Energia Group is aware that the proper operation of an organisation, the achievement of objectives and the improvement of occupational health and safety conditions depend on the support, collaboration and active participation of all the personnel involved.

This is why the company pays great attention to human resources management issues:

- promoting a sense of belonging to the Group and teamwork;
- creating the conditions for a creative expression of the talents that every person has;
- motivating and involving personnel in development of the projects and attainment of the objectives;
- offering opportunities in the work environment through training plans, personal growth and continuous development and furthering skills, knowledge and abilities;
- creating a relational climate based on openness, fairness and respect for the personal character, thought and opinions of each individual involved;
- promoting a management climate that motivates, recognises and rewards the contribution of the individual and the team.

## INNOVATION

The Dolomiti Energia Group has a strong bond with its territory. Hence the need and desire for continuous improvement with regard to the present and future impact on the surrounding environment. Therefore, the Group is oriented towards investments in social and technological innovation to improve both the protection of natural resources and the sustainability of energy sources, and the health and safety conditions of people.

## CONTINUOUS IMPROVEMENT

For the Dolomiti Energia Group continuous improvement is the cultural, intellectual and motivational bed-rock of the organisation. The ability to rise to challenges at all levels is key to guaranteeing success in the areas of customer services, respecting the environment, in relation to health and safety issues, employee satisfaction and remaining competitive. With this approach the Dolomiti Energia Group therefore aims to promote the culture of quality, health and safety and environmental protection in relation to both its own employees and its external stakeholders.

## VALUES

The mission, values and objectives of the Dolomiti Energia Group are heavily influenced by the public nature of the Group's activities, its compliance with current legislation and its sustainable use of natural and local resources.

## STRATEGY

The Dolomiti Energia Group has modulated its objectives and development strategies in a perspective not only local, but also outside the region and nationwide. In this sense, the Dolomiti Energia Group intends to:

- confirm, strengthen and develop its presence on the territory of reference by providing quality services, with particular attention to issues relating to ecology, safety, sustainability and service excellence;
- aim at a proper balance between the regulated activities and those distinctive of the free market;
- strengthen its presence on the multi-utility market, both as regards production and procurement, and as regards the distribution and marketing of energy products and services, with a particular focus on reducing climate-altering emissions, saving resources, energy efficiency and savings, and the development of smart networks.

In order to achieve these important objectives the Group companies have identified a series of strategic lines of development particularly in the area of renewable energy production and, more generally, in the development of innovative services connected with the Group's historic activities (energy efficiency, e-mobility, public lighting, the smart city).

# Creation of economic value

### Main economic and financial data \*

|   | 2021         | 2020         | 2019         |
|---|--------------|--------------|--------------|
| Value added (€ million)                                   | 376          | 392          | 366          |
| Leverage (net financial position on shareholders' equity) | 0.88         | 0.46         | 0.41         |
| ROI (EBIT/net invested capital) %                         | 3.5          | 7.5          | 7.1          |
| Gross operating margin/revenue and other income %         | 9.5          | 17           | 14.5         |
| ROS (EBIT/turnover) %                                     | 6.6          | 12.5         | 10.2         |
| <b>TOTAL REVENUE AND OTHER INCOME (€ MILLION)</b>         | <b>2,182</b> | <b>1,397</b> | <b>1,500</b> |
| Gross operating margin (€ million)                        | 207          | 238          | 217          |
| Investments (€ million)                                   | 105.7        | 87.7         | 63.2         |

\* For more information on the economic performance of the Group and its assets and financial position see the 2021 Report on Operations published at [www.gruppodolomitienergia.it](http://www.gruppodolomitienergia.it)

## VALUE ADDED

Value Added is the Group's ability to create wealth through the company's business cost-efficiently, striving to distribute it among the various stakeholders in the social and territorial context in which it operates. The creation of value for Shareholders and all other Stakeholders is one of the Group's main objectives. The economic value generated and distributed throughout the financial year is represented here in a reclassification Income Statement of the Consolidated Financial Statements at 31 December 2021.

Value added (€ thousand)

|  | 2021               | 2020               | 2019                 |
|--|--------------------|--------------------|----------------------|
| <b>ECONOMIC VALUE GENERATED BY THE GROUP</b>   | <b>2,176,155</b>   | <b>1,413,103</b>   | <b>1,489,542</b>     |
| Revenue  | 2,176,715          | 1,397,413          | 1,499,763            |
| Other income                                   | 551                | 18,540             | 2,566                |
| Financial income                               | 1,142              | 1,907              | 1,309                |
| Value adjustments on financial assets          | -                  | -                  | (9,071)              |
| Write-downs                                    | (2,253)            | (4,757)            | (5,025)              |
| <b>ECONOMIC VALUE DISTRIBUTED BY THE GROUP</b> | <b>(2,057,181)</b> | <b>(1,269,453)</b> | <b>(1,394,410) *</b> |
| Operating expenses                             | (1,801,253)        | (1,023,620)        | (1,136,102)          |
| Remuneration of collaborators                  | (66,815)           | (67,387)           | (66,739)             |
| Remuneration of lenders                        | (7,987)            | (6,536)            | (810)                |
| Remuneration of investors                      | (69,865)           | (42,994)           | (63,584) *           |
| Remuneration of public administration          | (108,980)          | (126,786)          | (125,029)            |
| Sponsorships and donations                     | (2,281)            | (2,130)            | (2,146)              |
| <b>ECONOMIC VALUE HELD BY THE GROUP</b>        | <b>118,974</b>     | <b>143,650</b>     | <b>95,132*</b>       |
| Amortisation/depreciation and allocations      | 59,963             | 58,194             | 49,078               |
| Other reserves                                 | 59,011             | 85,456             | 46,054*              |

\* The value differs to that declared in the 2019 Non-Financial Disclosure as it also includes the dividend of the Parent Company approved by the Shareholders' Meeting

In 2021, the Group generated €376 million of Value Added (€392 million in 2020). The Group distributed value to all its stakeholders, i.e., its employees, suppliers and Public Administration through taxes, duties and fees, to Shareholders with payment of dividends, to Lenders and, lastly, to the Community through donations and sponsorships.

# Disclosure pursuant to Regulation (EU) 2020/852 on the taxonomy

The strategy outlined by the European Union to drive the transition to a low-carbon economy and finance sustainable and inclusive growth assigns a central role to Regulation (EU) 2020/852, which establishes a unified classification system to determine whether an economic activity can be considered environmentally sustainable in order to identify the degree of environmental sustainability of an investment.

In this context, article 8 of the above-mentioned regulation requires companies to include information on the sustainability of their economic activities in their non-financial disclosures.

Economic activities can be considered environmentally sustainable - and therefore "aligned" with the taxonomy - if they comply with the technical screening criteria and substantially contribute to the achievement of at least one of the six climate and environment objectives identified by the European Union. Simultaneously, they must do no significant harm to any of the remaining objectives on the one hand, and must comply with minimum social guarantees on the other (such as the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, including the principles and rights laid down in the eight core conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights).

Specifically, the six climate and environment objectives identified in the taxonomy regulation are:



Article 10 of the Delegated Regulation (EU) 2021/2178, which complements Regulation (EU) 2020/852, requires reduced disclosure for the financial year 2021 covering only the share of so-called "eligible" economic activities, i.e., those eligible for the taxonomy in terms of turnover, capital expenditure and operating expenses, as well as related qualitative information.

Taxonomy-eligible activities are the economic activities described in Delegated Regulation (EU) 2021/2139 on the climate change mitigation and adaptation objectives. In a second phase, these activities may be considered "environmentally sustainable" or "aligned" if they meet the criteria listed above.

Any economic activities not included in the above regulation are to be considered "non-eligible".

## THE COMMITMENT OF THE DOLOMITI ENERGIA GROUP

Aware of the systemic nature of environmental challenges at a global level, the Dolomiti Energia Group identified the eligible economic activities in the context of the climate change mitigation and adaptation objectives based on Delegated Regulation (EU) 2021/2139 through a project led by the Group Planning and Control Department in 2021.

In a first step, the analysis took into account the NACE codes (and the corresponding ATECO codes) of each company within the scope. Subsequently, the economic activities actually carried out by the Group companies were assessed in order to verify their correspondence with the descriptions included in Delegated Regulation (EU) 2021/2139.

Thanks to this mapping, the eligible and non-eligible economic activities were identified within the Group's scope of consolidation:

| Dolomiti Energia Group eligible activities   | Dolomiti Energia Group non-eligible activities  |
|--|---|
| <ul style="list-style-type: none"> <li>- Power generation from solar and hydroelectric energy</li> <li>- Installation and construction of photovoltaic systems</li> <li>- Construction and operation of geothermal plants</li> <li>- Electricity distribution</li> <li>- District heating distribution</li> <li>- Water supply system</li> <li>- Sewerage</li> <li>- Separate waste collection</li> <li>- Electric mobility</li> <li>- Energy efficiency services</li> <li>- IT remote-control and measurement services</li> </ul> | <ul style="list-style-type: none"> <li>- Electricity and gas trading and sales</li> <li>- Gas and LNG distribution</li> <li>- Cogeneration</li> </ul> |

## THE ECONOMIC RESULTS

Having identified the activities eligible for the taxonomy through the above mapping, the Group collected the relevant economic data in order to calculate the KPIs required by Regulation (EU) 2021/2178. In cases where the economic activities were found to be "eligible" with respect to both climate objectives, the economic data were only counted once for calculation purposes. The KPIs for turnover, CapEx, OpEx have been calculated in the light of the guidance and accounting principles described in the above-mentioned regulation.

The results of the analysis show that the Group is active in six sectors identified by the taxonomy. In particular, the Group's activities fall mainly in the sectors "Energy", "Water supply, sewerage, waste treatment and decontamination" and "Construction and real estate activities" (which includes the installation of energy efficiency devices and renewable energy technologies).

## KPI RELATED TO TURNOVER

With reference to the year 2021, 20.3% of the turnover is related to economic activities eligible for the taxonomy.

For the purpose of calculating the turnover KPI, the numerator includes net revenues - identified on the basis of the consolidated financial statements - deriving from products and services, including intangible ones, associated with the eligible economic activities, while the denominator includes total direct revenues (excluding other revenues) as quantified in the 2021 financial statements.

The share of ineligible turnover is mainly due to the sale and trade of electricity and gas, economic activities that are not considered eligible under the first two climate objectives.

In particular, on the basis of the draft delegated regulation approved by the European Commission, gas-fired power generation and cogeneration could be considered eligible for the taxonomy and potentially "aligned" in the future (if they can pass the challenging technical screening criteria currently envisaged).

On the other hand, there is currently no provision for including the sale of energy among eligible activities, which constitutes a fundamental enhancing element of eligible economic activities relating to the production of energy from renewable sources.

Therefore, for the sake of prudence, only the value added by the production companies was taken into account, excluding trading and sales.

## KPI ON CAPITAL EXPENDITURE

For 2021, 57.1% of capital expenditure relates to eligible economic activities.

For the purpose of calculating the capital expenditure KPI, the denominator includes additions to tangible and intangible assets before depreciation, impairment and any revaluation, while the numerator includes capital expenditure - part of the denominator - recognised in the assets of the consolidated financial statement related to the Group's eligible economic activities.

## KPI ON OPERATING EXPENSES

For 2021, 79.8% of operating expenses relates to eligible economic activities.

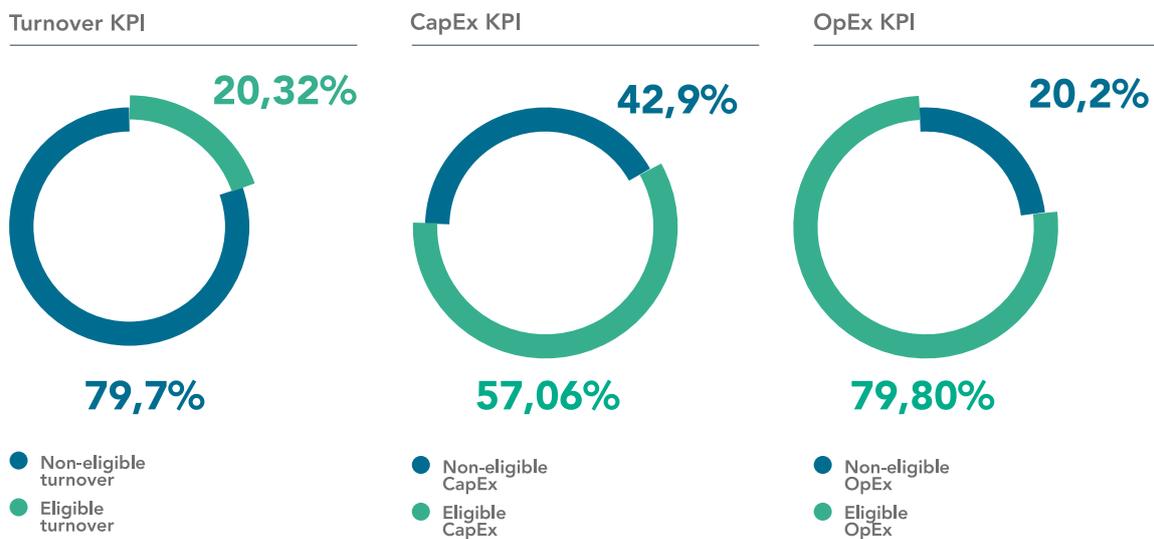
The KPI on operating expenses was identified as follows:

The denominator includes non-capitalised direct costs related to research and development, building renovation measures, short-term rental, maintenance and repair as well as any other direct expenditure related to the day-to-day maintenance of property, plants and equipment, either by the company or by third parties to whom these tasks are outsourced, while the numerator includes operating costs - part of the denominator - related to the Group's eligible economic activities.

Data from the consolidated financial statement were also used for the operating expenses.

The latter includes in particular direct non-capitalised costs related to research and development, building renovation measures, short-term rental, maintenance and repair, as well as any other direct expenditure related to the day-to-day maintenance of property, plants and equipment, either by the company or by third parties to whom these tasks are outsourced, necessary to ensure the continuous and effective operation of these assets, including the training needs of human resources.

With reference to plant maintenance, the costs of purchasing the materials needed for maintenance work and the personnel costs attributable to such work were included.



# Our History

**2001**

Trentino Servizi was created through the merger of SIT and ASM, the historical utilities companies of Trento and Rovereto

**2003**

The sales company Trenta was created, to which the business activities of Trentino Servizi and the territorial companies STET and AIR were assigned

**2005**

SET Distribuzione took over electrical distribution activities in Trentino

**2008**

Two major joint ventures brought the control of hydroelectric generation in Trentino under the Group's leadership

**2009**

The Group consolidated sales activities on the Free Market nationwide with the acquisition of Multiutility, a company bringing new customers throughout Italy and an extensive sales network

**2010**

Dolomiti Reti was established, a company involved in cogeneration, district heating, the water cycle, and gas distribution





**2021**

Dolomiti Energia chose to offset the environmental impact of the natural gas it sells, financing international social responsibility projects certified by third-party entities



**2019**

Establishment of Dolomiti Energia Solutions, a company dedicated to energy efficiency, and Neogy, which deals with infrastructure for electric mobility

**2016**

All sales activities to end customers were concentrated under Dolomiti Energia. Dolomiti Reti adopted the name Novareti

**2020**

The Group's digital transformation process began, with new and renewed communication channels to improve customer services

**2017**

Dolomiti Energia chose to sell only 100% energy from renewable sources on the Free Market, strengthening the Group's sustainability strategy

**2014**

Dolomiti Ambiente was established, which handles urban sanitation services in Trento and Rovereto



# Responsible Governance

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**33%**

women on the Board of Directors in the last three years.

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**21%**

women executives out of total executives (16.7% in 2020)

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**0**

cases of corruption reported in the last three years

# Governance model

The growing complexity in the competitive scenario in which the Dolomiti Energia Group operates and the regulatory provisions in the sector adopted over the last few years have led the Management to define an organisational and governance structure characterised by flexibility and the search for efficiency, able to promote technological innovation and continuous improvement in order to enhance the expertise of our human resources, ensure customer satisfaction, respect for the environment and the reference regulations.

As such, the organisational model of the Dolomiti Energia Group is based on the following principles:

- The primary processes are assigned to specific corporate entities, which have full responsibility for them, while the support and management processes are centralised in the corporate and organisational structure of the Parent Company, which manages, coordinates and controls management and operational activities on one hand, and provides assistance and supplies services on the other.
- The Group performs its management, coordination and control activities on the basis of three-year strategic plans which are translated into annual budgets that, in turn, are used as a reference for the planning, checking and approval of the activities of the single companies. The annual budgets are monitored on a monthly basis and subject to quarterly reports presented to the Board of Directors.
- The composition of the Boards of Directors of the subsidiaries is defined with a view to optimising the coordination and management of the Group activities and ensuring consistency with the Company's business, in observance of the relevant legislation in force.
- The company organisation, the structure of the hierarchical lines of reporting and the distribution of responsibilities, powers and tasks between the various organisational functions and within each function are designed to guarantee an effective system of overlapping and cross-checks for all processes and company activities, particularly for processes regarded as critical for the Group.
- The Group governance and organisation system is focused on the corporate separation of activities subject to accounting and functional unbundling regulations. Pursuant to Italian and European Community legislation, the Group constitutes a so-called vertically integrated company as it both distributes natural gas (Novareti SpA) and electricity (SET Distribuzione SpA) and sells it to end customers (Dolomiti Energia Spa). Consequently, the Group is subject to the Functional Separation obligations laid down by law, i.e. a series of measures aimed at ensuring the distribution companies enjoy a level of autonomy and independence of decision-making powers which simulate the corporate separation. In other terms, the functional separation fulfils the task of establishing a condition where parties (natural persons), who manage a given activity, are not involved in the management of other activities along the chain. The distribution system operator, should it be part of a vertically integrated company, must be independent in terms of its legal form, organisation and decision-making powers, from the other activities carried out by the Group and not connected with distribution.
- The corporate governance model involves a series of organisational and control processes which consist of the clear identification and sharing of corporate values, the determination of a multi-year strategic and business plan, the mapping and assessment of associated risks, the definition of adequate safeguards to prevent and manage risks and the resulting internal control system. In line with this approach, an annual internal audit plan is defined by the Group and subject to periodic reporting to the Board of Directors and Board of Statutory Auditors.

The organisation and governance system is therefore composed of bodies, committees, organisational positions and organisational measures and mechanisms which contribute to the decision-making processes of the Group and the individual Companies: the Shareholders' Meeting; the Board of Directors; the Board of Statutory Auditors and internal control committee; the Executive Committee; the Chairman; the Chief Executive Officer; the Independent Operator for the electricity and gas distribution networks; the Employers and delegated employers; the Environmental Officer; the Risk Committee; the Supervisory Bodies; the Credit Collection Committee; the Operational Business Managers.

The Chairman also serves as Chairman of the Executive Committee of Dolomiti Energia Holding SpA.

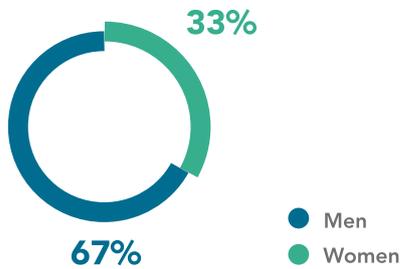
Following Dolomiti Energia Holding SpA's listing of a financial instrument, the Company implemented a process to update its organisational and governance mechanisms and information flows in order to manage the obligations resulting from the listing.

#### Composition of the Board of Directors and Executive Committee of Dolomiti Energia Holding

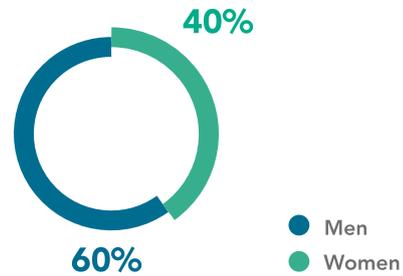
| Director              | Office                  | List | Holding Company Executive Committee |
|-----------------------|-------------------------|------|-------------------------------------|
| Massimo De Alessandri | Chairman                | M    | Chairman                            |
| Marco Merler          | Chief Executive Officer | M    | ○                                   |
| Giorgio Franceschi    | Vice Chairman           | m    | ○                                   |
| Paolo Decarli         | Director                | M    | ○                                   |
| Massimo Fedrizzi      | Director                | m    | ○                                   |
| Chiara Tomasi         | Director                | M    |                                     |
| Daniela Salvetti      | Director                | M    |                                     |
| Silvia Arlanch        | Director                | M    |                                     |
| Simone Canteri        | Director                | M    |                                     |
| Eleonora Stenico      | Director                | m    |                                     |
| Giorgio Rossi         | Director                | m    |                                     |
| Fabio D'Alonzo        | Director                | m    |                                     |

M/m: Majority/minority list

### Directors by gender diversity

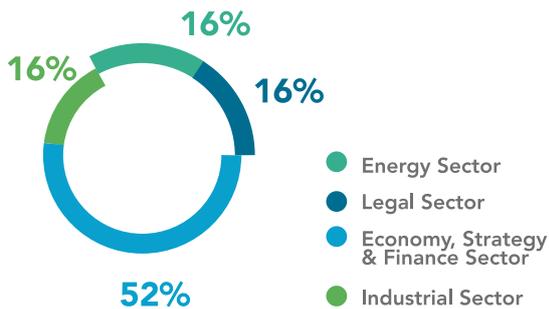


### Composition of the Board of Statutory Auditors

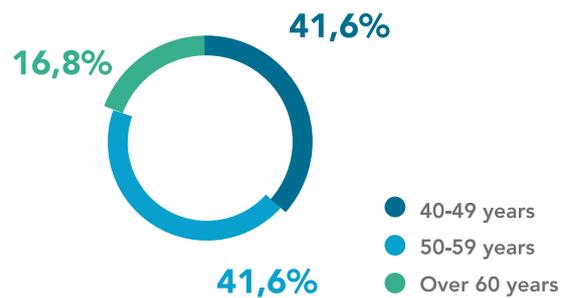


Pursuant to legal provisions and the Company's Articles of Association, the Board of Statutory Auditors is composed of three standing auditors and two alternate auditors, appointed by the Shareholders' Meeting in accordance with the gender balance. The term of office for the Board of Statutory Auditors is three years.

### Directors by specialised background diversity



### Directors by age diversity



## MAIN ORGANISATIONAL CHANGES

The main organisational changes which took place during 2021 are outlined below:

- Acquisition by Dolomiti Energia SpA of the electricity marketing business branches of the Municipality of Sella Giudicarie, effective as of 01/01/2021.
- Acquisition by Novareti SpA from the Municipality of Isera, through a tender procedure, of the gas distribution networks in the Municipality of Isera, effective as of 01/01/2021.
- Acquisition by Novareti SpA from Isera Srl, through a tender procedure, of the business branch related to the gas distribution networks management service in the Municipality of Isera, effective as of 01/01/2021.
- Acquisition by Novareti SpA of the branch of STET SPA concerning the distribution of gas in the Municipality of Pergine Valsugana, effective as of 01/01/2021.
- Acquisition by Dolomiti Energia Holding of a 33% stake in the share capital of EPQ Srl, which allowed the Group to consolidate its presence in the energy management and flexibility services sector, also thanks to the simultaneous establishment of Dolomiti Transition Assets, a Dolomiti Energia Group company dedicated to investments in renewable energy plants, energy communities and storage.

- Through these operations, the Group intended to strengthen its ability to grow on the energy market to support households and companies interested in seizing the opportunities offered by rapid technological and market evolution, and with particular reference to the offer of services linked to flexibility, to contribute to ensuring the security and stability of the electricity system - which is destined to become increasingly essential for the development of renewable sources, decarbonisation and the energy transition.
- Sale of stake in the share capital of PVB Power Bulgaria AD.
- Acquisition of a 25% stake in the share capital of Tecnodata Trentina Srl, a Trentino company whose main activity is the sale of telephony services including the installation and supply of Internet connectivity.
- Liquidation of the company Depurazione Trentino Centrale S.Cons.AR.L. due to expiry of the term.
- Amendment to the Articles of Association of Dolomiti Energia Holding SpA with the introduction of shareholders' right to pre-emption in the case of transfer of shares, convertible bonds or inherent rights as well as the exclusion of the right of withdrawal with the introduction or removal of restrictions on the circulation of shares.
- Acquisition by Dolomiti Energia SpA of the branch of business related to marketing electricity in the Municipality of Castello Molina di Fiemme, effective as of 01/01/2022.
- Acquisition by SET Distribuzione SpA of the branch of business concerning the distribution of electricity in the Municipality of Castello Molina di Fiemme, effective as of 01/01/2022.

## Risk management

The Group's risk management system is composed of specific rules, instruments, organisational responsibilities and procedures which enable corporate conduct characterised by ethics and integrity and aimed at preventing risks which might jeopardise the operational and strategic objectives of the Dolomiti Energia Group, in accordance with the laws and regulations in force.

The enterprise risk management system involves various roles in the context of their own specific competences:

- the Board of Directors, which plays a guidance role and assesses the adequacy of the system;
- the Board of Statutory Auditors, which monitors the adequacy of the organisational and control structure and also carries out a committee role for internal controls and the auditing of the accounts;
- the Risk Management Department, which oversees the mapping of corporate risks and related controls with specific reference to liquidity and commodity energy risks;
- the Compliance Officers of each Company/Business Unit who are responsible for defining and updating regulatory risk controls;
- the Internal Audit department, which is responsible for verifying that the risk management system is up-to-date, effective and adequate, including with regard to its impact on the company's organisational

and control system, as well as for carrying out specific audits in terms of the adequacy and effectiveness of the checks envisaged;

- the Planning and Development department, responsible for periodically monitoring the company's economic and financial performance;
- the direct Managers of the company departments to which the monitoring and management of the relevant risks are entrusted;
- the Supervisory Body, the Corruption Prevention Manager and the Data Protection Officer, who monitor the adequacy and effectiveness of the risk prevention controls with respect to the committing of offences pursuant to Italian Legislative Decree 231/01 to the benefit of the entity, and the committing of corrupt practices to the detriment of the entity.

The Group mapped of all the Dolomiti Energia Group risks, assessed on the basis of their regulatory, economic, financial, operational, reputational and sanctioning impact and the probability of them occurring, taking into account the controls developed by the Group to prevent, mitigate and manage such risks.

Examples of specific relevant risk scenarios include unfavourable weather conditions - a risk which was explored and updated in 2021 - the trend in the price of raw materials and energy, the processes for participating in major competitive procedures for concessions, the disruptions or damage to networks and plants caused by natural disasters with an impact on the local area, the community and the continuity of services, risks connected with regulatory developments, health, safety and environmental risks, privacy risks, risks connected with the inadequacy of organisational elements and human resources with an impact on the capacity to satisfy the company's commitments, risks of offences pursuant to Italian Legislative Decree 231/2001, risks of corruption, risks of fraud by internal and external staff. In view of these potential risk scenarios, the Group has defined, designed, implemented and constantly monitors specific controls such as: the Group's Code of Conduct, anti-corruption policies and measures, environmental, diversity and human rights policies, Organisation and Control Models pursuant to Italian Legislative Decree no. 231/01, company procedures, bodies, positions, organisational functions with the relevant human resources and skills to manage and control these safeguards, and lastly, specific support tools such as activity plans, information security measures, control and risk management indicators.

In particular, during 2021 the Group explored the risk related to climate change by identifying physical risks related to the impacts of global warming on the Group's assets and business on the one hand, and risks related to the ongoing ecological transition linked to a renewed and complex regulatory framework and to market and reputational aspects relevant to the Group's businesses on the other.

The aforementioned monitoring activities performed by the various company departments and the different risk control measures described make up the Internal Control System which is geared to ensuring, in line with a healthy and prudent management approach, the achievement of the strategic goals, the containment of the aforementioned risks, the effectiveness and efficiency of company processes and respect for laws and internal and external regulations. The Internal Audit department, within the context of its responsibility for verifying the completeness, adequacy, functionality and reliability of the Internal Control System, defines and implements an annual risk-based Internal Audit plan which is subject to the approval of the Parent company's Board of Directors, to which it reports periodically.

In terms of significant aspects relating to environmental and health and safety risks, control measures are planned and implemented by the Quality, Safety and Environment department which periodically reports to the management on these issues. Similarly, other company departments plan and carry out second-level

control activities on specific aspects such as protecting the privacy of Dolomiti Energia Group stakeholders, complying with human resources policies, implementing IT security measures, and monitoring compliance with the regulations on company liability pursuant to Italian Legislative Decree 231/01 and anti-corruption.

Every year, the Italian Regulatory Authority for Energy, Networks and the Environment surveys electrical service downtime and assigns sector companies incentives or imposes sanctions depending on the results obtained in relation to the set goals. Also in 2021, SET Distribuzione was able to benefit from the economic incentives envisaged by ARERA in relation to the quality of the service provided in the management of the activities executed. Moreover, SET Distribuzione again came out on top of the Authority's ranking.

## CYBERSECURITY

Conscious of the crucial role that company information and the IT systems play in achieving its strategic goals, considering the constant growth and evolution of cyber threats and aware that IT security is a continuous improvement process, the Dolomiti Energia Group continues to carry out activities and initiatives in the various technology, organisational and HR areas, also with a significant impact on the protection of personal data.

This constantly evolving process includes the adoption of technologies for prevention and defence against cyber attacks, organisational adjustments, the definition and review of suitable policies and procedures, and continuous awareness-raising activities so people know how to mitigate IT security risks.

The Dolomiti Energia Group has adopted various measures to prevent the occurrence of unauthorised access to the corporate information system, thus preventing hacker attacks and limiting their effects if they do occur.

To this end, the Group has introduced various measures to prevent and manage possible hacker attacks. In particular, the Security Operation Centre "SOC" is active 24 hours a day, seven days a week. This operations centre manages and monitors the IT systems to ensure cybersecurity in terms of data protection and access to company systems and applications.

The Group is also attentive to vulnerability management aspects, which it manages through Flash Bulletins sent by the SOC in the event of particularly aggressive vulnerability exploitation campaigns recorded by other entities. These make it possible to stay up to date with any attempted attacks and at the same time indicate the appropriate countermeasures to be taken.

In managing its applications, the Group adheres to ENISA (European Union Agency for Cybersecurity) best practices in terms of cybersecurity, dividing them into different intervention areas and applying them with varying intensity to the various company applications: backup, log collection, access control, encryption, authentication information management, physical and environmental security, operational activity security, media handling, malware protection, communication security and technical vulnerability management. The Security and IT Compliance department carries out annual vulnerability assessments of the company's systems, addressing the critical issues that emerge from time to time. It has adopted protection services such as firewall, IPS/IDS, DMZ and web filtering and segregated the production, development and testing environments.

Training is also provided to all employees on the risks of possible cyber attacks and their consequences, sending occasional snippets of information and internal communications. The IT Security department periodically monitors their adherence and effectiveness through simulated phishing campaigns.

Lastly, the current security controls were assessed with a view to strengthening them and continuously aligning them with the constantly evolving technological best practices. The assessment identified the actions implemented by the Group as relevant, and at the same time indicated some further reinforcements planned for 2022 in the area of process organisation and monitoring, security awareness and the technology used.

## RISKS ASSOCIATED WITH CLIMATE CHANGE

*Changes in climatic variables such as temperature and/or precipitation can cause adverse economic and financial impacts on the business. From a physical point of view, the following can be identified:*

- *Chronic variations such as trends of rising average winter temperatures leading to a reduction in energy needs for heating and thus a decrease in heat and/or gas sales volumes;*
- *Acute variations such as an increase in the frequency and/or intensity of acute rainfall events, which cause a greater and more serious incidence of phenomena such as flooding or hydrogeological instability, with possible damage to assets.*

*Climate change has also led to risks for the Group's businesses in relation to the transition to a low carbon economy, such as:*

- *Policy risks, following the imposition of energy efficiency requirements;*
- *Legal risks, for example litigation risk in case of failure to take measures to avoid or reduce adverse climate impacts or failure to adapt to climate change;*
- *Technological risks, where more climate-damaging technology is replaced by less climate-damaging technology;*
- *Market risks;*
- *Reputational risks.*

*The Dolomiti Energia Group has therefore embraced a corporate strategy aimed at investigating, developing, implementing and monitoring measures to mitigate and manage such risk scenarios.*

*In fact, the Group has chosen to play an active role in sustainable development (sustainable by nature and by choice) given the businesses it manages, which are central to the European Green Deal, and has launched and planned important initiatives in line with the Climate Change - flagship initiatives promoted by the EU that it intends to enhance, monitoring their effectiveness and communicating appropriately.*

*In terms of physical risks and with particular reference to distribution networks, in recent years there has been a notable increase in the number of so-called extended power cuts at national level attributable to the damage caused by particularly violent and large-scale weather events which, due to effects of climate change, are becoming increasingly common occurrences. In particular, such weather events include:*

- *Snowfall of particular intensity capable of causing the formation of layers of ice or snow;*
- *Flooding caused by particularly heavy rainfall;*
- *Heat waves;*
- *Trees falling on aerial lines.*

*For this reason, a three-year plan has been drawn up in the electricity distribution sector to increase resil-*

ience, i.e., to increase the resistance of its network infrastructure to extreme stress as a result of identified critical risk factors. The plan identifies measures designed to mitigate the problem of trees falling on aerial lines, the biggest risk factor in the areas in which SET Distribuzione operates.

In the field of gas distribution, Novareti has maintained a strong focus on constant leak detection and related interventions aimed at reducing the environmental impact of the business. At the same time, research and analysis activities have been launched to assess the use of hydrogen technologies, exploiting the assets of the gas distribution network, constantly monitoring regulatory developments and the European debate on natural gas.

Furthermore, thanks to the new technologies made available by the ICT Department as part of the review of the Workforce Management (WFM) solution, a tailor-made application called "Screwdriver" has been developed for carrying out remote interventions on consumption points equipped with new smart meters. This has reduced field interventions and improved the quality of service, while at the same time leading to lower fuel consumption and consequently emissions.

In water distribution related to the management of aqueducts and sewage systems, the Group has planned a series of interventions aimed at maintaining the service in different climatic regimes, at reducing water losses, increasing the resilience of networks and systems, searching for new water sources, avoiding flooding and damage in urban areas, increasing the urban drainage capacity of networks while maintaining the footprint of current infrastructure, and creating synergistic criteria for sustainable urbanisation.

In the field of hydroelectric production, the Group has implemented advanced technologies aimed at making better use of the resource and managing flooding events by liaising with the civil protection authorities (increasing resilience).

Other interventions concerned the automation of water intake and storage systems in order to increase efficiency in the use of natural resources, reduce operating costs, and increase safety for personnel and works thanks to the possibility of remote action in the event of adverse weather events.

In addition, a project has been launched to test and develop new production methods in order to increase the production of renewable energy, also without using new resources.

With regard to transition risks, the Group has launched an internal project aimed at ensuring the monitoring and implementation of the requirements arising from the so-called European Taxonomy (Regulation (EU) 2020/852), which will have an impact on the Group's investments and financing.

At the same time, the Group constantly promotes the interconnection between business and business-related areas in order to identify and develop cross-cutting strategies to reduce the climate impact of its businesses, with a view to positive contamination between the various corporate sectors.

# Rules and tools for integrity

## CODE OF CONDUCT

The Dolomiti Energia Group has prepared a Code of Conduct with the goal of defining and circulating the ethical principles and rules of conduct of the Group. They must be followed by everyone that - within the scope of their functions and responsibilities - work to attain the company's objectives. The Group Code of Conduct is approved by the Board of Directors of the Parent Company and is adopted by the Boards of Directors of the single subsidiaries.

## THE ORGANISATION AND CONTROL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE NO. 231/01

In order to guarantee the honesty and ethics of the company's activities, the Dolomiti Energia Group has also adopted its own Organisation, Management and Control Model pursuant to the provisions of Italian Legislative Decree no. 231/2001 on the subject of corporate liability. The Model is adopted in order to make shareholders, directors, employees and collaborators fully aware of the Decree's provisions. Thanks to the identified prevention protocols and the supervisory activity - carried out by a specific in-house and permanent Supervisory Body - the Organisation, Management and Control Model makes it possible to prevent and/or promptly react to prevent the commission of crimes including, but not limited to, corporate offences, corruption offences, offences against Public Administration and offences involving health and safety and the environment.

The Organisation, Management and Control Model pursues the governance of the company's activities according to shared procedures and rules that distribute responsibilities and balance the relationship between operational management and auditing and control activities. The Model must therefore be constantly supervised and adapted to the organisational, operational and regulatory evolution of the Company.

The Group Code of Conduct and the Organisation, Management and Control Models of the Group Companies are published on the internal corporate portal and on the website of each Company.

All Group suppliers and partners are requested to observe the principles of the Group Code of Conduct and the respective Organisation, Management and Control Model when entering into contracts with the Group. These principles are also communicated and explained during the recruitment process and subsequently in the event of updates.

In addition, in order to guarantee the constant updating of the Group's management and organisational model, the company documents containing the latest organisational and procedural changes were updated and published during the year following the evolution of the company's organisation and operations.

# Fight against active and passive corruption

For some years, the Dolomiti Energia Group has developed and implemented structured initiatives and activities to prevent crimes such as corruption offences against both public authorities and private parties. Observance of the laws and the committed fight against corruption are clearly established in the Group Code of Conduct, given tangible form in the working practices and methods defined and circulated through the company procedures, and supported, promoted and monitored through a system of communication, training and constant monitoring.

## COMPANY POLICIES FOR COMBATING CORRUPTION

The main corruption prevention tool used in the Dolomiti Energia Group consists of the Organisation, Management and Control Model pursuant to Italian Leg. Decree no. 231/01, which has been developed, adopted and constantly updated as an integral part of the activities of the Dolomiti Energia Group.

At the same time the Group, aware of the importance of the fight against corruption and in light of today's social and political context, has decided to strengthen its prevention model with further specific measures to prevent corruption offences committed by company representatives to its detriment, by supplementing the pre-existing company regulations, and to prevent corruption offences pursuant to Italian Legislative Decree no. 231/01 committed to the benefit or in the interest of the company.

The organisation of the Dolomiti Energia Group is characterised on the one hand by the decentralisation of the various primary processes in specific company sectors and, on the other, by the centralisation of the support and management processes within the corporate and organisational structure of parent company Dolomiti Energia Holding with a management and coordination role over management and operating activities on the one hand, and the assistance and provision of services to all companies on the other. Based on this rationale, the system is developed at Group level, in strict coordination with the legal representatives of the subsidiaries and their Supervisory Bodies.

In 2021 the Group continued to spread the principles, values and codes of conduct designed to prevent acts of corruption among its employees, suppliers and company partners, also through specific training courses.

In 2021 the Group also guaranteed the constant updating and adaptation of the Organisation, Management and Control Model on the basis of organisational, regulatory and operational changes in the Group, also monitoring the adequacy and efficacy of the relative company procedures periodically reported to the Supervisory Body and the Board of Directors.

In 2021, there were no reports of corruption.

## MANAGING THE FIGHT AGAINST CORRUPTION

The Dolomiti Energia Group companies have therefore set up their own Supervisory Body with the aim of supervising the functioning, effectiveness and observance of the Model by all its recipients. The companies have also identified a corruption prevention manager whose task is to supervise the adequacy and implementation of the supplementary corruption prevention measures. The Organisation, Management and Control Model pursuant to Legislative Decree no. 231/01 of each Group Company is checked by the Supervisory Body and approved by the Board of Directors of the same. The specific corruption prevention measures are drawn up by the Group Corruption Prevention Manager, approved by the Board of Directors of the parent company and adopted by the Boards of Directors of the subsidiaries.

## COMMITMENTS TO FIGHTING CORRUPTION

The Dolomiti Energia Group has always placed considerable importance on values and ethics when managing the company's businesses. This is why it strives to operate in all areas according to the principles of integrity, honesty and transparency in observance of current legislation, and has taken steps to prevent the risk of corruption violations identified by the main instruments and national and international legislation to which the Group refers on this topic. The Dolomiti Energia Group undertakes to share its anti-corruption measures with all personnel that work for the organisation or on its behalf and to make them available to the public.

## CORRUPTION PREVENTION PROVISIONS

The main prevention protocols are: principles and codes of conduct; the budget as a tool for guidance and control; the separation of powers and activities aimed at preventing a totally autonomous position from being able to carry out a process sensitive to corruption offences; the traceability and reporting of sensitive transactions; the procedures and authorising powers of reference; specific rules and control mechanisms according to the process; and the whistleblowing process as an instrument for revealing any offences and breaches in the company's activities.

For details about the measures, refer to the documents published at [www.gruppodolomitienergia.it](http://www.gruppodolomitienergia.it) and disseminated and accessible to employees and third parties, for all relevant matters. The Group has carried out risk assessment activities in order to identify the areas at risk and the measures for preventing corruption. This analysis is summarised in a document called "Matrix of Offences, Risks and Processes" which is shared with the Supervisory Bodies and the basis for the anti-corruption measures approved by the Boards of Directors. The risk analysis is included both within the Organisation, Management and Control Models published on the websites of the Group companies, and in the anti-corruption measures published on the Group website. The main processes exposed to the risk of corruption in the Dolomiti Energia Group are sales, procurement, consultancy, payments, sponsorships, recruitment, and relations with public or private parties.

# The sustainability of the Dolomiti Energia Group

In line with the services that characterise its business, the Dolomiti Energia Group pays particular attention to sustainability and corporate social responsibility, on which its values and actions are based. This commitment translates into tangible initiatives to reduce the socio-environmental impact of the Group's activities, for example through the production of renewable energy, the promotion of energy efficiency products and services, proximity to customers with green, ethical and socially-responsible commercial offers. The principles and rules of conduct in terms of sustainability are laid down in various Group documents such as the Code of Conduct; the Organisation, Management and Control Model; the policies, guidelines, procedures, directives and instructions connected with specific and qualifying areas in this regard, such as anti-corruption, the protection of human rights, the protection of the environment and personal health and safety, the protection of diversity and equal opportunities, and investments and projects that combine business and social objectives.

The governance of sustainability within the Dolomiti Energia Group is also guaranteed through the monitoring of sustainability reporting activities via a set of over 90 KPIs (Key Performance Indicators) arising from an analysis of the GRI guidelines and information provided by stakeholders. In 2021, the Group consolidated the use of its IT platform for the collection of data, enabling data sharing and greater integration between sustainability and company processes, and updated roles, responsibilities and activities for the reporting process. Individual data managers in all the Group's operational areas are responsible for collecting and entering the data that feeds the system. The quantitative data is then shared centrally by the team consisting of the Group Administration, Planning and Control Departments, which coordinates the preparation of the Non-Financial Disclosure with the support of the individual Group functions. In addition, the Energy Management Department of Dolomiti Energia Solutions, with which a service has been formalised for the benefit of all Group companies, contributes by collecting data on environmental aspects. In addition to the reports, the constant dialogue with Stakeholders provides an indication of the effectiveness of the actions taken.

The social topics pertaining to relations with the community are monitored by the Communication department and the top management, while the topics pertaining to the people that work for the Group are managed by the Human Resources department. The role of overseeing the sustainability issues connected with the company's operations and the interaction dynamics of the latter with all of its stakeholders was assigned to the Executive Committee which is tasked with assisting the Board of Directors with preliminary activities, both propositional and consultative in nature, regarding all sustainability evaluations and decisions, in accordance with the principles of the Code of Conduct and the other tools that guide the Group's actions. During the year work continued to more effectively integrate the issue of sustainability in the Group's activities and strategies, as per the sustainability goals of the Business Plan, which envisages an evolution that is compatible and consistent with some of the shared development goals defined by the UN in the 2030 Agenda.

The Consolidated Non-Financial Disclosure also includes the disclosures required by Regulation (EU) 852/2020 and Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139. The results of the analysis carried out by the Group during 2021 are contained in the chapter "Disclosure pursuant to Regulation (EU) 2020/852".

# Stakeholders

Listening to stakeholders makes it possible to prevent the risk of not promptly identifying the occurrence of potential critical issues and enables honest and transparent dialogue with internal and external stakeholders affected directly or indirectly by the Group's decisions which seek, as far as possible, to take account of the expectations of said stakeholders. The Group relations system often sees the main stakeholders play a dual role: employees are also customers, institutions can also be shareholders, citizens and suppliers are also users/customers.

The following shows the Group's main categories of stakeholders:



## STAKEHOLDER ENGAGEMENT

For each stakeholder category, the Group has various methods of communication, listening, dialogue and partnership (such as customer satisfaction surveys, press review monitoring, discussions with institutional clients, meetings with the financial community, etc.) aimed at identifying and understanding the expectations of stakeholders. These are analysed in the definition of material topics, taken into account and addressed through corporate strategies and actions in order to improve the socio-environmental impact of the Group's activities. With regard to the initiatives towards internal and external stakeholders that were promoted in 2021, the following should be noted:

- website updating (in particular for the Parent Company and Dolomiti Energia) for the purpose of more effective communication;
- implementation of improvement actions resulting from surveys on work-related stress conducted in the various Group companies;
- updating and dissemination of company policies (Dolomiti Ambiente Srl, Dolomiti Energia, Novareti SpA) in the workplace and on websites;
- continuous training of staff on environmental and health and safety issues.

There were also days dedicated to the information and involvement of employees in Hydro Dolomiti Energia Srl, Dolomiti Edison Energy Srl and SET Distribuzione.

Internally, surveys were carried out on information technology and agile working issues in order to gather important insights for possible improvement actions. Quality and performance indicators were also monitored in order to highlight trends in terms of internal and customer service processes as compared with defined goals, and measure the level of efficiency and effectiveness of these processes/services.

Lastly, supplier performance evaluation activities continued in 2021 with the aim of sharing the results with suppliers in the future in order to define improvement plans.

**EXPECTATIONS AND INTERESTS**



**CHANNELS OF DIALOGUE**



- commuting
- continuous training projects
- corporate plans on relevant topics
- health and safety in the workplace
- work-life balance
- job stability
- remuneration and benefits
- internal communication

**HUMAN RESOURCES**

- interviews and climate surveys
- internal company events
- meetings with employees
- meetings with trade union representatives
- channels for reporting
- HR department activities

- economic results
- honesty
- management of activities
- protection of reputation
- ordinary and extraordinary financial operations

**SHAREHOLDERS**

- one-to-one meetings
- phone calls
- financial statements
- institutional meetings
- shareholders' meeting
- publication on website and circulation to the media of communications on all economically significant company events (approval of financial statements, major operations)

- company activities
- value added created for the territory
- protection of the environment
- support for local initiatives
- environmental fees
- hydroelectric fees
- responsible and sustainable management

**COMMUNITY**

- public meetings
- openings and guided
- tours of the plants
- participation in conferences
- participation in research projects
- participation in and support for local social and cultural events
- communications
- direct contact
- website

- continuity of relationship
- capital strength
- creditworthiness
- support for business growth

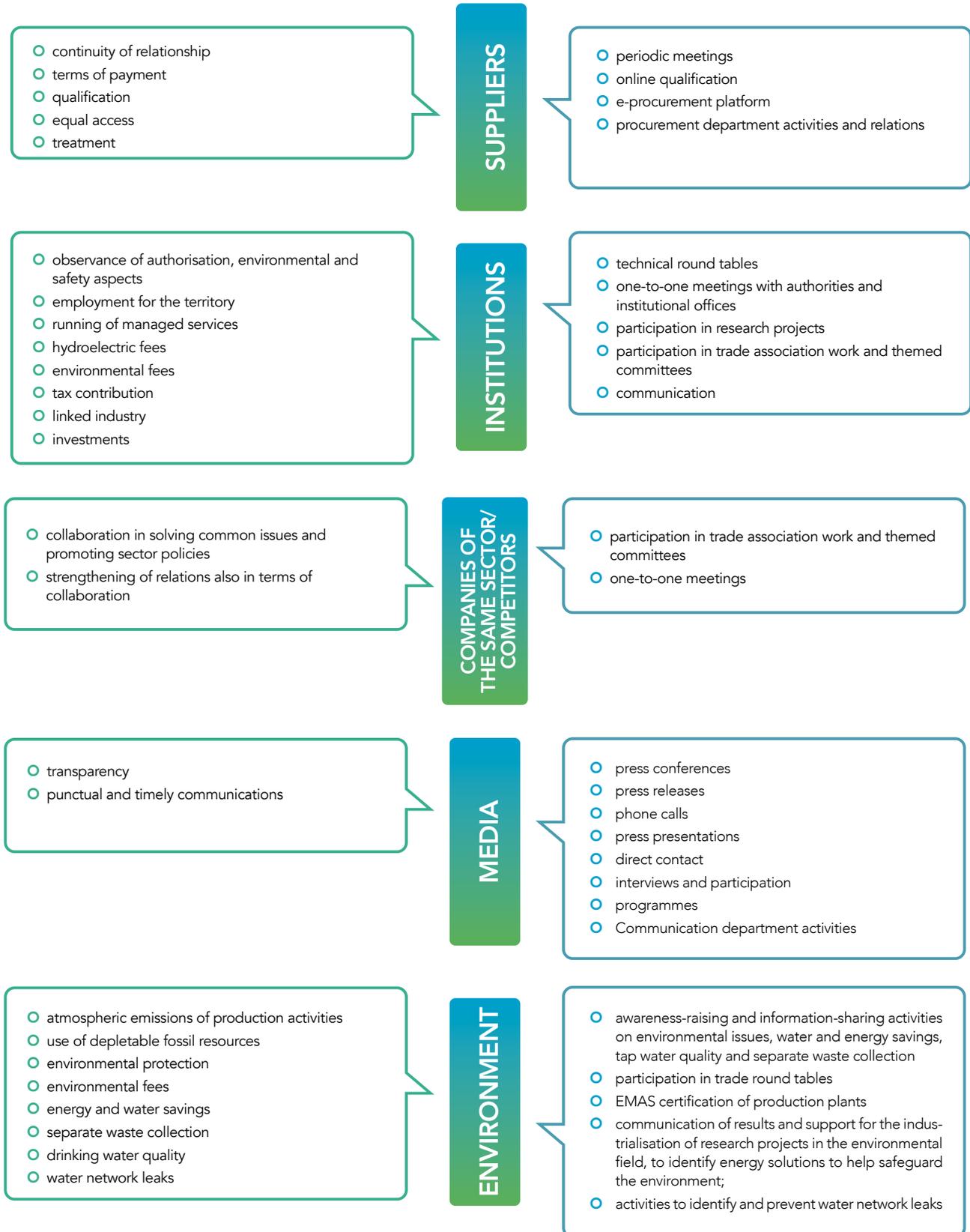
**INVESTORS**

- one-to-one interviews
- technical round tables
- plant tours
- analysis of accounting data
- finance department activities
- website
- financial statements

- quality of commercial service
- reports and complaints
- fine-tuning of Group products
- commercial transparency and honesty
- complaint management
- listening
- product sustainability
- safety of services
- compliance with regulations and legislation
- tariffs
- prices

**CUSTOMERS**

- agents
- correspondence
- periodic meetings
- pre-sales consultancy
- after-sales services
- meetings and information activities
- direct contacts at events and in branches
- daily monitoring of the media
- direct mailing
- call centre
- Customer Care department activities and relations



# Analysis of priorities

According to the responsible approach that distinguishes the Group's actions, sustainability is seen as the correct management and mediation between the requirements and needs of the Company, the territories where it operates, people, the environment and the local communities.

For this reason, in 2017 the Group carried out its first materiality analysis in order to identify the most important sustainability issues for the its business and its stakeholders: those on which to focus particular attention and work on a constant basis and, at the same time, to base the contents of this document in line with the GRI Standards.

The materiality analysis was carried out using a structured evaluation process that involved the main Group departments responsible for potentially relevant non-financial issues. In particular, to begin with, aspects of potential relevance to the Group and its stakeholders were identified using energy/multiutility sector benchmark analyses, internal information sources and studies connected with the world of sustainability. These topics were then closely analysed with the managers of 17 different areas/departments in order to determine their relevance. As spokespersons for the global vision of the Dolomiti Energia Group's processes and activities, the internal representatives evaluated the individual topics from both the point of view of the company and its stakeholders.

The Group also updated its materiality analysis in 2021 through the performance of benchmarking and media search activities as well as following consultation with the company management and various internal departments which gave their assessment of the relevance of the material topics identified according to various criteria: alignment with company strategy, economic and environmental impact, reputational risks and impacts, consistency with internal policies, commitments undertaken and the Code of Conduct. This analysis and assessment process pinpointed 28 topics with 22 of these considered to be more relevant and added to the materiality matrix. At the same time, three pre-conditions underlying the sustainability model were identified: the creation of sustainable economic value over time; the adoption of an effective and transparent governance system to support the business; constant attention on the issues of legal and regulatory compliance.

The Dolomiti Energia Group is also committed to incorporating the concept of "dual materiality" (as envisaged by the proposed Corporate Sustainability Reporting Directive) through a new stakeholder engagement process and a renewed analysis being developed for the next few years, in order to prepare for reporting according to the new Universal Standards and the new Sector Standards in force from 2023.

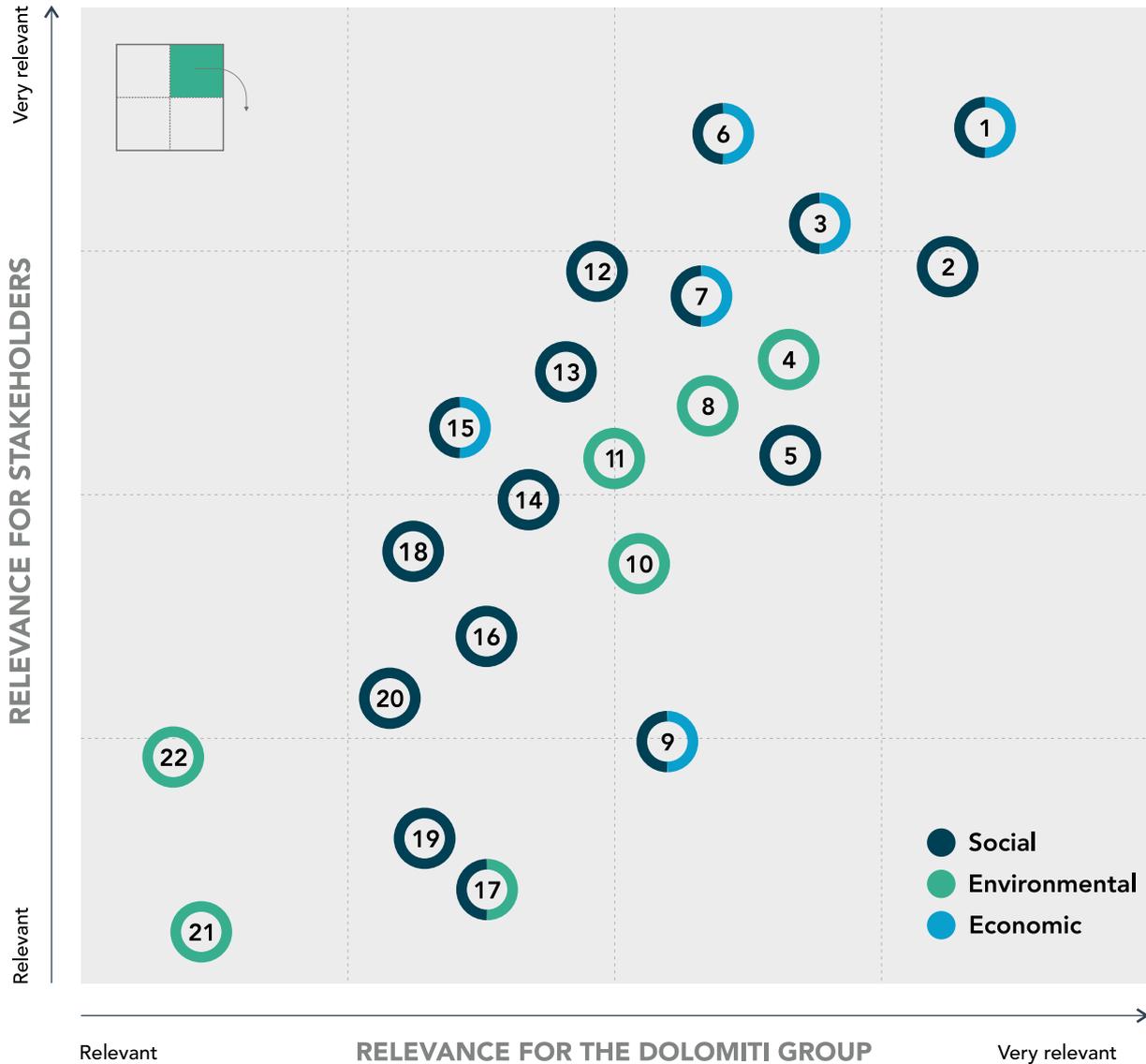
The most relevant topics are included in the materiality matrix below:

### Material topics identified

- Ethics and integrity in managing the business\*
- Corporate welfare and health and safety in the workplace\*
- Management of emergencies and business continuity\*
- Efficient and sustainable use of water\*
- Combating corruption\*
- Accessibility, efficiency and reliability of the service\*
- Innovation, quality, safety of the service and listening to and satisfying the customer\*
- Reduction of energy consumption and greenhouse gas emissions\*
- Mitigation of exposure to risks and development of business opportunities
- Technological innovation, energy efficiency, renewable energies and district heating\*
- Reduction of waste and adoption of responsible disposal methods\*
- Operations deep-rooted throughout the territory\*
- Relations with the community and local institutions\*
- Wellbeing, work-life balance and employment protection\*
- Quality and costs of the waste collection service and urban embellishment\*
- Innovative and efficient production and distribution management
- Support to the Community and to the Non-profit Sector\*
- Selection, management and control of suppliers and contractors according to fairness, transparency and social and environmental sustainability criteria\*
- Transparent, clear and honest communication and marketing practices\*
- Staff training and development\*
- Raising awareness on the sustainable use of resources\*
- Biodiversity and protection of natural assets\*
- Promotion of sustainability criteria in governance and relations with the financial community\*
- Protection of human rights and workers' rights
- Diversity, equal opportunities and inclusion
- Internal dialogue and communication
- Trade union relations
- Performance Management and remuneration of personnel

\* Material topics identified as significant and represented in the matrix

## MATERIALITY MATRIX



- |  |  |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>1 Ethics and integrity in business management</li> <li>2 Corporate welfare and workplace health and safety</li> <li>3 Management of emergencies and business continuity</li> <li>4 Efficient and sustainable use of water</li> <li>5 Combating corruption</li> <li>6 Accessibility, efficiency and affordability of the service</li> <li>7 Innovation, quality and safety of the service and listening to and satisfying customers</li> </ul> | <ul style="list-style-type: none"> <li>8 Reduction in energy consumption and greenhouse gas emissions</li> <li>9 Mitigation of exposure to risks and development of business opportunities</li> <li>10 Technological innovation, energy efficiency, renewables and district heating</li> <li>11 Reduction of waste and use of sustainable disposal methods</li> <li>12 Operations firmly rooted in the local area</li> <li>13 Relations with the community and local institutions</li> <li>14 Well-being, work/life balance and employment protection</li> </ul> | <ul style="list-style-type: none"> <li>15 Quality and cost of waste collection and urban embellishment service</li> <li>16 Support for the community and the third sector</li> <li>17 Selection, management and supervision of suppliers according to criteria of integrity, transparency and social/environmental sustainability</li> <li>18 Transparent, clear and correct communication and marketing practices</li> <li>19 Enhancing sustainability criteria in governance and in relations with the financial community</li> <li>20 Staff training and development</li> <li>21 Raising awareness of the sustainable use of resources</li> <li>22 Biodiversity and protection of natural capital</li> </ul> |
|--|--|---|

# Sustainability goals 2021-2022



## CLEAN WATER AND SANITATION

Ensure availability of drinking water, guarantee safety and sanitation, reduce leaks, guarantee controls along the supply chain

- Strengthen water leak detection service;
- Launch mass substitution of water meters;
- Install remote controlled sensors to monitor the quality of water in the water networks;
- Improve efficiency of sewage networks;
- Identify new water sources to combat climate change.



## AFFORDABLE AND CLEAN ENERGY

Ensure access to energy, guaranteeing its continuity and reliability and improving infrastructure for safer and more resilient networks

- Develop the commercial web platform to promote the range of green products and services;
- Gradually introduce second-generation smart meters;
- Extend gas distribution networks;
- Stardust project;
- Replace unprotected lines with cables and undergrounding of electricity distribution grid.



## DECENT WORK AND ECONOMIC GROWTH

Promote a safe workplace, the ongoing training, updating and qualification of employees, welfare initiatives

- Work-related stress risk assessment;
- Continue to reduce the risk of accidents through behaviour-based safety projects;
- Consolidate employee welfare initiatives.



## GENDER EQUALITY

Develop an inclusive corporate culture aimed at promoting diversity

- Extend the Family Audit project to other Group companies;
- Combat all forms of discrimination in the Group;
- Promote a corporate culture that respects gender differences.



## INNOVATION AND INFRASTRUCTURE

Pursue policies and actions to support the local economic fabric and the development of infrastructure

- Support the development of fibre optic infrastructure;
- Digitalisation of commercial processes;
- Increase investments in plants and distribution networks, including digitalisation, to improve the quality and continuity of the service and the resilience of the infrastructure;
- Digitalisation of operational staff management (e.g., WFM project).

Gruppo Dolomiti energia



### SUSTAINABLE CITIES AND COMMUNITIES

Plan measures to combat climate change risks, reduce the environmental impact of cities, select socially responsible suppliers

- Develop charging infrastructure for e-mobility;
- Intensify partnerships with universities, schools and research institutes for shared development with communities;
- Consolidate Hydrotour project;
- Strengthen environmental awareness activities and promotion of circular economy;
- Strengthen sustainability criteria in the selection of suppliers;
- Increase the number of lighting point installations managed for the public lighting efficiency service.



### RESPONSIBLE CONSUMPTION AND PRODUCTION

Monitor and manage the waste cycle, promote a culture based on the reduction of production through prevention, sorting, recycling and reuse.

- Increase the number of electric vehicles in the company fleet;
- Introduce a Group sustainability policy;
- Mass distribution of bins for the collection of used domestic oil and promotion of initiatives for the recycling of personal sanitary towels;
- Strengthen the transparent reporting of sustainability goals and initiatives.



### CLIMATE ACTION

Increase the energy efficiency of the Group and promote its products and services, pursue policies and actions to reduce climate-altering emissions

- Increase generation of renewable energy;
- Promote the development of plants for the production of biomethane from waste;
- Improve the efficiency of company site energy performances;
- Revamp Rovereto cogeneration power plant;
- Encourage the use of network water to promote more sustainable behaviours.



### LIFE BELOW WATER

Manage and protect water-related ecosystems to limit negative impacts

- Continue to prepare the technical elements required to further mitigate environmental impacts ahead of participation in tenders for the renewal of concessions for the major hydroelectric power sources.

# Sustainable products and services

We supply families and companies with the services they need for their everyday lives: energy, gas, water, heating, air conditioning, clean cities.

We undertake to guarantee efficient services, people's safety, access to customised and economically sustainable energy solutions, quality of work and life for our employees, value for our shareholders, environmental protection and growth for the communities where we operate and a better future for our planet.

## Products and services offered



The Dolomiti Energia Group is active right throughout the electricity supply chain with its electricity production, distribution and sales activities. The electricity sector now accounts for an important share of the Group's global turnover. Our customers consist of the citizens (household customers) and companies (business customers) of the Province of Trento where the Group is leader in the distribution of energy and gas, and from all over Italy for the sale of electricity and gas and energy efficiency services and products. The Group also manages the municipal sanitation service for the cities of Trento and Rovereto and the public lighting service in some municipalities. In particular, 2,617 lighting points are managed by SET Distribuzione and 17,654 by Dolomiti Energia Solution. The group also operates in district heating services for citizens and businesses in Rovereto and Trento, and manages the water service in 9 municipalities in Trentino, most of which located in Valle dell'Adige. The Dolomiti Energia Group's most important stakeholders are its customers. Understanding their expectations, offering punctual and innovative services to as many people as possible under favourable conditions, strengthening their communication and facilitating their accessibility are social responsibility objectives that the Group undertakes to achieve through concrete initiatives.

### ELECTRICITY PRODUCTION

The total net energy produced by the Group through hydroelectric power plants, cogeneration facilities, photovoltaic power plants and the gas turbine plant in Ponti sul Mincio came to 3,513 GWh (3,991 GWh in 2020). Hydroelectric production for 2021 is 97.8% of the total (98.3% in 2020), down from last year due to the lack of rainfall and the resulting drought.

### HYDROELECTRIC PRODUCTION

The Group develops its production capacity in the field of hydroelectric energy with hydroelectric plants it manages directly. This energy is generated by Hydro Dolomiti Energia, Dolomiti Energia Holding, SF Energy, Dolomiti Edison Energy and Dolomiti Edison Energia Hydro Power through the hydroelectric power plants located in the Trentino-Alto Adige and Veneto regions. Producing energy from environmentally friendly sources, such as hydroelectric power, plays an important role in protecting the environment, reducing greenhouse gas emissions and the use of other forms of energy production with considerable environmental impact.

### Installed capacity (MW)

|                     | 2021     | 2020       | 2019     |
|---------------------|----------|------------|----------|
| hydroelectric power | 1,634.41 | 1,454.26** | 1,453.05 |

\*\* The data relative to Dolomiti Edison Energy is not shown as Edison was responsible for the operational management of the plants until 01/07/2020.

### Energy generated (GWh)

|               | 2021* | 2020  | 2019  |
|---------------|-------|-------|-------|
| Hydroelectric | 3,439 | 3,922 | 3,533 |

\* For the purpose of calculating the hydroelectric energy generated, in addition to HDE, DEH, DEHP, the companies SF Energy and Dolomiti Edison Energy have been included for their share.

## THERMOELECTRIC PRODUCTION

The Group operates in this field through the combined cycle gas turbine plant in Ponti sul Mincio, in which it holds a 5% stake.

### Total installed thermoelectric capacity

|  | power MW |
|--|----------|
| Ponti sul Mincio power plant* (total installed capacity) | 380      |

\* The Group holds 5% of the share capital

### Total thermoelectric energy generated (GWh)

|  | 2021 | 2020 | 2019 |
|--|------|------|------|
| Ponti sul Mincio power plant (5% shareholding) | 49   | 42   | 51   |

## COGENERATION

The Group operates in this field through the company Novareti with the gas turbine and power-driven cogeneration plants in Rovereto and the "Le Albere" trigeneration power plant in Trento.

The three cogeneration plants in Rovereto and the Trento power plant are natural gas-fuelled and generate electricity in a combined cycle with residual heat that is partly used for the district heating of town buildings and partly to supply pressurised steam for industrial use.

Only the Trento power plant also delivers cold water for cooling. The cogeneration plants ensure greater energy efficiency thanks to the recovery of heat from exhaust fumes and coolants. Moreover, cogeneration

and trigeneration - associated with district heating and district cooling - reduce air pollution in the city, allowing for the elimination of many and at times poorly maintained sources of harmful emissions such as the boilers used to heat apartment blocks and individual homes.

#### Installed capacity cogeneration

| Cogeneration | Electric power MW | Thermal power MWT | Cooling MWT |
|--------------|-------------------|-------------------|-------------|
| Total        | 8.76              | 71.51             | 7.39        |

#### Energy generated by cogeneration (GWh)

|                        | 2021 | 2020 | 2019 |
|------------------------|------|------|------|
| Steam produced         | 3.5* | 18.3 | 30.7 |
| Heating and cooling    | 83   | 66.8 | 67.7 |
| Electricity production | 24.8 | 26.5 | 45.9 |

\* The steam turbine underwent extraordinary maintenance during 2020 and therefore steam production decreased in 2021.

## PHOTOVOLTAIC

Photovoltaic plants generate electricity using solar radiation and have practically zero environmental impact. The Group generates energy in this field through photovoltaic plants operating at the sites in Rovereto, Preore, Torbole and Trento. Through the company Dolomiti Energia Solutions, the Group also deals with turnkey high energy efficiency plants and photovoltaic plants throughout Italy for energy requalification and savings.

#### Photovoltaic energy installed capacity

| Power in kW | 2021   | 2020  | 2019  |
|-------------|--------|-------|-------|
| Total       | 781.64 | 683.2 | 624.5 |

#### Energy generated (GWh)

|       | 2021 | 2020 | 2019 |
|-------|------|------|------|
| Total | 0.69 | 0.71 | 0.66 |

## ELECTRICITY DISTRIBUTION

The Group is leader in the Trentino area in the energy distribution business through its subsidiary SET Distribuzione. The network management and electricity distribution is carried out in around 147 municipalities in Trentino. The electricity distribution network, which includes substations, overhead lines, underground lines and local electrical enclosures, has sections of low and medium voltage.

### Electricity distribution network length (the Group does not manage energy transmission activities)

|                       |           | 2021          | 2020          | 2019          |
|-----------------------|-----------|---------------|---------------|---------------|
| <b>Medium voltage</b> | km        | 3,524         | 3,507         | 3,469         |
| <i>of which</i>       |           |               |               |               |
| Not underground       | km        | 1,166         | 1,205         | 1,240         |
| Underground           | km        | 2,358         | 2,302         | 2,229         |
| <b>Low voltage</b>    | km        | 8,859         | 8,754         | 8,633         |
| <i>of which</i>       |           |               |               |               |
| Not underground       | km        | 824           | 838           | 850           |
| Underground           | km        | 8,035         | 7,916         | 7,783         |
| <b>TOTAL</b>          | <b>km</b> | <b>12,383</b> | <b>12,261</b> | <b>12,102</b> |

### Customers connected to the electricity distribution network

|   |     | 2021    | 2020    | 2019    |
|---|-----|---------|---------|---------|
| <b>Total Customers (medium and low voltage)</b> | no. | 334,627 | 332,889 | 331,843 |

## GAS DISTRIBUTION

The Dolomiti Energia Group, through the subsidiary Novareti, distributed 341.8 million cubic metres of gas in 2021 (291.8 million cubic metres of gas in 2020) to over 168,000 private users and businesses (over 159,000 users in 2020), across the territory of the provinces of Trento, Verona and Bolzano, through a distribution network present in 88 municipalities in the province of Trento, Valle dell'Adige, Valsugana and Tesino, Valle di Non, Valli di Cembra, Fiemme and Fassa and Valle dei Laghi and on the plateaus of Paganella, Folgaria, Lavarone, Luserna in the Municipality of Cavalese. Distribution is also managed in two municipalities outside the province: Salorno and Brentino Belluno.

The Group systematically searches for leaks along the gas distribution network in compliance with the standards and directives of national Authority ARERA. Together with the remote control system, a technologically advanced distribution network and its boosted quick intervention capability, this activity ensures that the network that the Group manages has very few leaks on the whole, and fewer than the national average.

### Number of customers connected to the gas distribution network

|                        |     | 2021*   | 2020    | 2019    |
|------------------------|-----|---------|---------|---------|
| <b>Total Customers</b> | no. | 168,766 | 159,126 | 158,435 |

\* The management of gas distribution activities began in 2021 in the Isera and Pergine Valsugana Municipal Authorities, previously managed by Isera Srl and STET SpA, respectively, for a total increase in PDR of approximately 9,700 units and of the managed network by approximately 135 km, which required a major commitment in terms of personnel and investments to adapt the infrastructures to the Novareti standard.

### Length of gas distribution network

|                      |    | 2021  | 2020  | 2019  |
|----------------------|----|-------|-------|-------|
| <b>Total Network</b> | km | 2,652 | 2,428 | 2,415 |

## LIQUEFIED NATURAL GAS

Through Dolomiti GNL, the Group is also active in the construction and management of LNG (Liquefied Natural Gas) plants consisting of a tank, a gasification system and a local distribution network, as well as cryogenic storage and supply. Both medium and large industrial plants and hamlets and residential areas not yet served by the gas network can be serviced with LNG. This solution offers numerous advantages in terms of both energy savings and environmental benefits: LNG is the most environmentally friendly and cleanest of fossil fuels. Considering the conventional technologies, producing the same amount of energy with an LNG-fuelled plant reduces emissions of carbon dioxide, sulphur dioxide and nitrogen oxide pollution. There are also economic advantages: despite the strong volatility of natural gas (and therefore LNG) prices due to the current geopolitical situation, the price of LNG remains competitive compared to other fossil fuels, which are also subject to speculation.

It should be highlighted that LNG is assuming a fundamental role in the energy supply chain in our country, given the political tensions with countries that have traditionally been suppliers of natural gas. This market is therefore destined to consolidate and grow, also in terms of its logistics infrastructure, in order to support national and European strategies for energy transition.

## HEAT, STEAM AND COOLING DISTRIBUTION

The distribution of heat along the 29 km district heating network satisfies energy needs in Rovereto and the innovative “Le Albere” district of Trento, where chilled water is also distributed for air conditioning. High-temperature steam is supplied to some industries in Rovereto for their production processes. In 2021, 3.9 GWh of steam and 72.2 GWh of heat and cooling were generated, while 24.4 GWh of electricity were produced. The previous year's figures were 18.3 GWh, 66.8 GWh and 26.5 GWh, respectively. Compared to 2020, the GWh of steam supplied has decreased considerably as a result of refurbishment work involving the Rovereto cogeneration plant.

### Number of customers connected to the district heating distribution network

|                 |     | 2021 | 2020 | 2019 |
|-----------------|-----|------|------|------|
| Total Customers | no. | 211  | 208  | 209  |

## INTEGRATED WATER CYCLE

The Group is active in all stages of the water cycle through the company Novareti: in water collection, purification and distribution, in managing the sewage networks that serve over 76,000 users (about 200,000 inhabitants) in nine municipalities in Trentino, most of which located in the Val dell'Adige. The integrated water supply system distributed 30.8 million cubic metres of water along 1,111 km of fully geolocalised network managed by Novareti (29.5 million in 2020). The managed water supply systems are supplied both by withdrawal from surface sources and from groundwater (via wells or drain off tunnels).

Considering all the municipalities managed, water collected from sources makes up about 70% and groundwater approximately 30%. The collection and distribution of water is remote controlled by a 24-hour system that monitors the functioning of the networks and plants.

### Water cycle customers

|                |     | 2021          | 2020          | 2019          |
|----------------|-----|---------------|---------------|---------------|
| domestic uses  | no. | 64,169        | 65,946        | 65,500        |
| other uses     | no. | 9,511         | 9,543         | 9,505         |
| other supplies | no. | 2,592         | 2,658         | 2,638         |
| <b>TOTAL</b>   |     | <b>76,272</b> | <b>78,147</b> | <b>77,643</b> |

### Length of water supply system network

|                      |           | 2021         | 2020         | 2019         |
|----------------------|-----------|--------------|--------------|--------------|
| Trento               | km        | 681          | 681          | 681          |
| Rovereto             | km        | 174          | 174          | 174          |
| Other municipalities | km        | 257          | 284          | 284          |
| <b>TOTAL</b>         | <b>km</b> | <b>1,111</b> | <b>1,138</b> | <b>1,138</b> |

## MUNICIPAL SANITATION

Municipal waste collection and the cleaning of paved public areas (excluding parks and green areas) is managed by subsidiary Dolomiti Ambiente in the municipalities of Trento and Rovereto in the name and on behalf of the two Administrations by virtue of two distinct service agreements. The total population served is 88,630 residents (88,218 in 2020). The company implements initiatives to monitor and control the quality of the deposited waste, providing detailed feedback to interested customers whenever possible in order to foster an improvement in the quality of sorted waste.

The municipal waste management system includes these services throughout the territory:

- Door-to-door collection of municipal waste, for domestic and non-domestic users;
- Collection centres where all forms of municipal waste, including hazardous waste, can be taken;
- Home collection of bulky waste by phone call;
- Home collection of green waste upon request;
- Personalised collections of special types of hazardous waste from specific businesses (such as batteries and medicines);
- Sweeping and washing of paved public areas.

The special waste collection, transport and treatment services are instead mainly addressed to handicraft and trade activities.

During 2021, 71,781 tonnes of urban waste were collected, an increase compared with the 70,381 in 2020.

The percentage of separate collection in Trento and Rovereto is 83.8%. This percentage is calculated net of the amount of waste collected from street sweeping for disposal.

The separate waste is sent for recovery through the specialised platforms and the supply chains of the sector, also based on agreements in place with the members of the national packaging consortium Conai (Consorzio Nazionale Imballaggi), or to private operators if the materials are not handled by the consortia.

|                                       |     | 2021                  |                                 |                             |                     |                                 |                             |
|---------------------------------------|-----|-----------------------|---------------------------------|-----------------------------|---------------------|---------------------------------|-----------------------------|
| Waste by composition                  |     | Collected in Rovereto |                                 |                             | Collected in Trento |                                 |                             |
|                                       | UoM | WASTE PRODUCED        | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL | WASTE PRODUCED      | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL |
| <b>HAZARDOUS WASTE</b>                |     | tonnes                |                                 |                             |                     |                                 |                             |
| WEEE                                  |     | 87.2                  | 87.2                            | 0                           | 234                 | 234                             |                             |
| Other (Batteries, medicines, etc. **) |     | 41.2                  | 41.2                            | 0.05                        | 149.1               | 148.3                           | 0.8                         |
| <b>TOTAL</b>                          |     | <b>128</b>            | <b>128</b>                      | <b>0.05</b>                 | <b>383</b>          | <b>382</b>                      | <b>0.8</b>                  |
| <b>NON-HAZARDOUS WASTE</b>            |     | tonnes                |                                 |                             |                     |                                 |                             |
| Paper and cardboard                   |     | 2,683.4               | 2,683.4                         | 0                           | 8,639.8             | 8,639.8                         |                             |
| Glass                                 |     | 1,549.8               | 1,549.8                         | 0                           | 5,053.7             | 5,053.7                         |                             |
| Green waste                           |     | 1,253.3               | 1,253.3                         | 0                           | 3,492.3             | 3,492.3                         |                             |
| Organic waste                         |     | 4,168.7               | 4,168.7                         | 0                           | 13,164.6            | 13,164.6                        |                             |
| metal packaging                       |     | 0                     | 0                               | 0                           | 23.4                | 23.4                            |                             |
| Multi-material *                      |     | 1,537.6               | 1,537.6                         | 0                           | 4,860.1             | 4,860.1                         |                             |
| Bulky objects                         |     | 650.3                 | 642.6                           | 7.74                        | 1,375.8             | 1,103.8                         | 272                         |
| Wood                                  |     | 1,056.6               | 1,056.6                         | 0                           | 2,535.8             | 2,535.8                         |                             |
| Inert                                 |     | 929.9                 | 929.9                           | 0                           | 2,503.9             | 2,503.9                         |                             |
| WEEE                                  |     | 217                   | 217                             | 0                           | 635.4               | 635.4                           |                             |
| Metal                                 |     | 211.2                 | 211.2                           | 0                           | 736.01              | 736.01                          |                             |
| Other (Batteries, medicines, etc. **) |     | 69.3                  | 69.3                            | 0                           | 256.3               | 234.4                           | 22                          |
| Used clothing                         |     | 179.7                 | 179.7                           | 0                           | 533                 | 533                             |                             |
| Residual                              |     | 3,048.2               | 360.2                           | 2,688.1                     | 8,254               | 4,635.2                         | 3,618.7                     |
| Sweeping                              |     | 335.1                 | 281.7                           | 53.4                        | 1,317.7             | 1,135.4                         | 182.3                       |
| <b>TOTAL</b>                          |     | <b>17,890.2</b>       | <b>15,141.1</b>                 | <b>2,749.2</b>              | <b>53,379.3</b>     | <b>49,284.3</b>                 | <b>4,095</b>                |
| <b>TOTAL WASTE</b>                    |     | <b>18,018.6</b>       | <b>15,269.5</b>                 | <b>2,749.3</b>              | <b>53,762.4</b>     | <b>49,666.6</b>                 | <b>4,095.8</b>              |

## Distribution of waste collected in Trento and Rovereto (tonnes)

| Waste by composition                  | 2020          |                       |                                 |                             |                     |                                 |                             |
|---------------------------------------|---------------|-----------------------|---------------------------------|-----------------------------|---------------------|---------------------------------|-----------------------------|
|                                       |               | Collected in Rovereto |                                 |                             | Collected in Trento |                                 |                             |
|                                       | UoM           | WASTE PRODUCED        | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL | WASTE PRODUCED      | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL |
| <b>HAZARDOUS WASTE</b>                | <b>tonnes</b> |                       |                                 |                             |                     |                                 |                             |
| WEEE                                  |               | 90.2                  | 90.2                            | 0                           | 224.6               | 224.6                           | 0                           |
| Other (Batteries, medicines, etc. **) |               | 56.4                  | 54.8                            | 1.6                         | 151.3               | 148.0                           | 3.3                         |
| <b>TOTAL</b>                          |               | <b>146.6</b>          | <b>145.0</b>                    | <b>1.6</b>                  | <b>375.9</b>        | <b>372.5</b>                    | <b>3.3</b>                  |
| <b>NON-HAZARDOUS WASTE</b>            | <b>tonnes</b> |                       |                                 |                             |                     |                                 |                             |
| Paper and cardboard                   |               | 2,630.3               | 2,630.3                         | 0                           | 8,341.1             | 8,341.1                         | 0                           |
| Glass                                 |               | 1,418.1               | 1,418.1                         | 0                           | 4,886.9             | 4,886.9                         | 0                           |
| Green waste                           |               | 1,220.5               | 1,220.5                         | 0                           | 3,069.6             | 3,069.6                         | 0                           |
| Organic waste                         |               | 4,151.2               | 4,151.2                         | 0                           | 13,394.8            | 13,394.8                        | 0                           |
| metal packaging                       |               | 0                     | 0                               | 0                           | 19.3                | 19.3                            | 0                           |
| Multi-material                        |               | 1,549.9               | 1,549.9                         | 0                           | 4,936.0             | 4,936.0                         | 0                           |
| Bulky objects                         |               | 588.8                 | 344.4                           | 244.4                       | 1,249.2             | 1,249.2                         | 0                           |
| Wood                                  |               | 862.8                 | 862.8                           | 0                           | 2,335.8             | 2,335.8                         | 0                           |
| Inert                                 |               | 1,059.1               | 1,059.1                         | 0                           | 2,695.3             | 2,695.3                         | 0                           |
| WEEE                                  |               | 216.1                 | 216.1                           | 0                           | 610.7               | 610.7                           | 0                           |
| Metal                                 |               | 252.9                 | 252.9                           | 0                           | 725.8               | 725.8                           | 0                           |
| Other (Batteries, medicines, etc.)    |               | 77.8                  | 77.3                            | 0.4                         | 258.6               | 225.6                           | 33.0                        |
| Used clothing                         |               | 144.9                 | 144.9                           | 0                           | 461.3               | 461.3                           | 0                           |
| Residual                              |               | 3,000.6               | 648.9                           | 2,351.7                     | 8,617.3             | 2,399.1                         | 6,218.3                     |
| Sweeping                              |               | 340.1                 | 273.6                           | 66.5                        | 743.8               | 598.3                           | 145.5                       |
| <b>TOTAL</b>                          |               | <b>17,513.1</b>       | <b>14,850.1</b>                 | <b>2,663.0</b>              | <b>52,345.5</b>     | <b>45,948.7</b>                 | <b>6,396.8</b>              |
| <b>TOTAL WASTE</b>                    |               | <b>17,659.8</b>       | <b>14,995.1</b>                 | <b>2,664.7</b>              | <b>52,721.4</b>     | <b>46,321.3</b>                 | <b>6,400.1</b>              |

## Kg per capita in Trento and Rovereto

|                                    |     | 2021                  |                                 |                             |                     |                                 |                             |
|------------------------------------|-----|-----------------------|---------------------------------|-----------------------------|---------------------|---------------------------------|-----------------------------|
| Waste by composition               |     | Collected in Rovereto |                                 |                             | Collected in Trento |                                 |                             |
|                                    | UoM | WASTE PRODUCED        | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL | WASTE PRODUCED      | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL |
| <b>HAZARDOUS WASTE</b>             |     | kg per capita         |                                 |                             |                     |                                 |                             |
| WEEE                               |     | 2.1                   | 2.1                             | 0                           | 1.9                 | 1.9                             | 0                           |
| Other (Batteries, medicines, etc.) |     | 1.0                   | 1.0                             | 0                           | 1.2                 | 1.2                             | 0                           |
| <b>TOTAL</b>                       |     | <b>3.1</b>            | <b>3.1</b>                      | <b>0</b>                    | <b>3.1</b>          | <b>3.1</b>                      | <b>0</b>                    |
| <b>NON-HAZARDOUS WASTE</b>         |     | kg per capita         |                                 |                             |                     |                                 |                             |
| Paper and cardboard                |     | 66.1                  | 66.1                            | 0                           | 71.6                | 71.6                            | 0                           |
| Glass                              |     | 38.2                  | 38.2                            | 0                           | 41.8                | 41.8                            | 0                           |
| Green waste                        |     | 30.9                  | 30.9                            | 0                           | 28.9                | 28.9                            | 0                           |
| Organic waste                      |     | 102.8                 | 102.8                           | 0                           | 109.0               | 109.0                           | 0                           |
| metal packaging                    |     | 0.00                  | 0.00                            | 0                           | 0.2                 | 0.2                             | 0                           |
| Multi-material                     |     | 37.9                  | 37.9                            | 0                           | 40.2                | 40.2                            | 0                           |
| Bulky objects                      |     | 16                    | 15.8                            | 0.2                         | 11.3                | 9.1                             | 2.2                         |
| Wood                               |     | 26.0                  | 26.0                            | 0                           | 21.0                | 21.0                            | 0                           |
| Inert                              |     | 22.9                  | 22.9                            | 0                           | 20.7                | 20.7                            | 0                           |
| WEEE                               |     | 5.3                   | 5.3                             | 0                           | 5.3                 | 5.3                             | 0                           |
| Metal                              |     | 5.2                   | 5.2                             | 0                           | 6.1                 | 6.1                             | 0                           |
| Other (Batteries, medicines, etc.) |     | 1.7                   | 1.7                             | 0                           | 2.1                 | 1.9                             | 0.2                         |
| Used clothing                      |     | 4.4                   | 4.4                             | 0                           | 4.4                 | 4.4                             | 0                           |
| Residual                           |     | 75.1                  | 8.9                             | 66.3                        | 68.4                | 38.4                            | 30                          |
| Sweeping                           |     | 8.3                   | 6.9                             | 1.3                         | 10.9                | 9.4                             | 1.5                         |
| <b>TOTAL</b>                       |     | <b>440.8</b>          | <b>373</b>                      | <b>67.8</b>                 | <b>441.9</b>        | <b>408</b>                      | <b>33.9</b>                 |
| <b>TOTAL WASTE</b>                 |     | <b>443.9</b>          | <b>376.1</b>                    | <b>67.8</b>                 | <b>445</b>          | <b>411.1</b>                    | <b>33.9</b>                 |

## Kg per capita in Trento and Rovereto

| Waste by composition                  | UoM                  | 2020                  |                                 |                             |                     |                                 |                             |
|---------------------------------------|----------------------|-----------------------|---------------------------------|-----------------------------|---------------------|---------------------------------|-----------------------------|
|                                       |                      | Collected in Rovereto |                                 |                             | Collected in Trento |                                 |                             |
|                                       |                      | WASTE PRODUCED        | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL | WASTE PRODUCED      | WASTE NOT DESTINED FOR DISPOSAL | WASTE DESTINED FOR DISPOSAL |
| <b>HAZARDOUS WASTE</b>                | <b>kg per capita</b> |                       |                                 |                             |                     |                                 |                             |
| WEEE                                  |                      | 2.2                   | 2.2                             | 0                           | 1.8                 | 1.8                             | 0                           |
| Other (Batteries, medicines, etc. **) |                      | 1.4                   | 1.3                             | 0                           | 1.2                 | 1.2                             | 0                           |
| <b>TOTAL</b>                          |                      | <b>3.6</b>            | <b>3.5</b>                      | <b>0</b>                    | <b>3</b>            | <b>3</b>                        | <b>0</b>                    |
| <b>NON-HAZARDOUS WASTE</b>            | <b>kg per capita</b> |                       |                                 |                             |                     |                                 |                             |
| Paper and cardboard                   |                      | 64.2                  | 64.2                            | 0                           | 68.4                | 68.4                            | 0                           |
| Glass                                 |                      | 34.6                  | 34.6                            | 0                           | 40.1                | 40.1                            | 0                           |
| Green waste                           |                      | 29.8                  | 29.8                            | 0                           | 25.2                | 25.2                            | 0                           |
| Organic waste                         |                      | 101.3                 | 101.3                           | 0                           | 109.9               | 109.9                           | 0                           |
| metal packaging                       |                      | 0                     | 0                               | 0                           | 0.2                 | 0.2                             | 0                           |
| Multi-material                        |                      | 37.8                  | 37.8                            | 0                           | 40.5                | 40.5                            | 0                           |
| Bulky objects                         |                      | 14.4                  | 8.4                             | 6.0                         | 10.2                | 10.2                            | 0                           |
| Wood                                  |                      | 21.1                  | 21.1                            | 0                           | 19.2                | 19.2                            | 0                           |
| Inert                                 |                      | 25.8                  | 25.8                            | 0                           | 22.1                | 22.1                            | 0                           |
| WEEE                                  |                      | 5.3                   | 5.3                             | 0                           | 5.0                 | 5.0                             | 0                           |
| Metal                                 |                      | 6.2                   | 6.2                             | 0                           | 6.0                 | 6.0                             | 0                           |
| Other (Batteries, medicines, etc.)    |                      | 1.9                   | 1.9                             | 0                           | 2.1                 | 1.9                             | 0.3                         |
| Used clothing                         |                      | 3.5                   | 3.5                             | 0                           | 3.8                 | 3.8                             | 0                           |
| Residual                              |                      | 73.2                  | 15.8                            | 57.4                        | 70.7                | 19.7                            | 51.0                        |
| Sweeping                              |                      | 8.3                   | 6.7                             | 1.6                         | 6.1                 | 4.9                             | 1.2                         |
| <b>TOTAL</b>                          |                      | <b>427.4</b>          | <b>362.4</b>                    | <b>65.0</b>                 | <b>429.5</b>        | <b>377.1</b>                    | <b>52.5</b>                 |
| <b>TOTAL WASTE</b>                    |                      | <b>431.0</b>          | <b>366.0</b>                    | <b>65.0</b>                 | <b>432.5</b>        | <b>380.1</b>                    | <b>52.5</b>                 |

\* includes CER 200139 plastic and plastic packaging

\*\* includes other hazardous municipal waste and other non-hazardous municipal waste

## Waste non destined for disposal by type of recovery operation

| Waste by composition                | UoM           | 2021                  |                          |                 |                     |                          |                 |
|-------------------------------------|---------------|-----------------------|--------------------------|-----------------|---------------------|--------------------------|-----------------|
|                                     |               | Collected in Rovereto |                          |                 | Collected in Trento |                          |                 |
|                                     |               | IN SITU               | AT AN EXTER-<br>NAL SITE | TOTAL           | IN SITU             | AT AN EXTER-<br>NAL SITE | TOTAL           |
| <b>HAZARDOUS WASTE</b>              | <b>tonnes</b> |                       |                          |                 |                     |                          |                 |
| Recovery/Preparation for reuse      |               | 0                     | 0                        | 0               | 0                   | 0                        | 0               |
| Recycling                           |               | 0                     | 0                        | 0               | 0                   | 0                        | 0               |
| Other recovery operations*          |               | 0                     | 128.4                    | 128.4           | 70.8                | 311.5                    | 382.3           |
| -WEEE                               |               | 0                     | 87.2                     | 87.2            | 45                  | 189                      | 234             |
| -Other (Batteries, medicines, etc.) |               | 0                     | 41.2                     | 41.2            | 25.8                | 122.5                    | 148.3           |
| <b>TOTAL</b>                        |               | <b>0.0</b>            | <b>128.4</b>             | <b>128.4</b>    | <b>70.8</b>         | <b>311.5</b>             | <b>382.3</b>    |
| <b>NON-HAZARDOUS WASTE</b>          | <b>tonnes</b> |                       |                          |                 |                     |                          |                 |
| Recovery/Preparation for reuse      |               | 0                     | 0                        | 0               | 3,996.0             | 0                        | 3,996.0         |
| -Residual                           |               | 0                     | 0                        | 0               | 3,996.0             | 0                        | 3,996.0         |
| Recycling                           |               | 0                     | 0                        | 0               | 1,005               | 0                        | 1,005           |
| -Organic waste                      |               | 0                     | 0                        | 0               | 0                   | 0                        | 0               |
| Other recovery operations*          |               | 0                     | 15,143.6                 | 15,143.6        | 28,456.6            | 15,826.1                 | 44,282.9        |
| -Paper and cardboard                |               | 0                     | 2,683.4                  | 2,683.4         | 5,065.0             | 3,574.8                  | 8,639.8         |
| -Glass                              |               | 0                     | 1,549.8                  | 1,549.8         | 3,821.1             | 1,232.6                  | 5,053.7         |
| -Green waste                        |               | 0                     | 1,253.1                  | 1,253.1         | 1,062.6             | 2,429.7                  | 3,492.3         |
| -Organic waste                      |               | 0                     | 4,168.7                  | 4,168.7         | 11,917.2            | 242.5                    | 12,159.7        |
| -Metal packaging                    |               | 0                     | 0                        | 0               | 19.4                | 4                        | 23.3            |
| -Multi-material                     |               | 0                     | 1,539.5                  | 1,539.5         | 3,552.9             | 1,307.2                  | 4,860.1         |
| -Bulky objects                      |               | 0                     | 642.6                    | 642.6           | 217.5               | 886.3                    | 1,103.8         |
| -Wood                               |               | 0                     | 1,056.6                  | 1,056.6         | 509.6               | 2,026.1                  | 2,535.8         |
| -Inert                              |               | 0                     | 929.9                    | 929.9           | 400.6               | 2,103.3                  | 2,503.9         |
| -WEEE                               |               | 0                     | 216.9                    | 216.9           | 102                 | 533.5                    | 635.4           |
| -Metal                              |               | 0                     | 211.2                    | 211.2           | 122.5               | 613.5                    | 736.1           |
| -Other (Batteries, medicines, etc.) |               | 0                     | 69.4                     | 69.4            | 47.3                | 187.1                    | 234.4           |
| -Used clothing                      |               | 0                     | 179.7                    | 179.7           | 93.8                | 439.2                    | 533.0           |
| -Residual                           |               | 0                     | 360.1                    | 360.1           | 392.4               | 246.3                    | 638.7           |
| -Sweeping                           |               | 0                     | 281.7                    | 281.7           | 1,135.3             | 0                        | 1,135.4         |
| <b>TOTAL</b>                        |               | <b>0</b>              | <b>15,142.6</b>          | <b>15,142.6</b> | <b>33,460.2</b>     | <b>15,826.1</b>          | <b>49,286.3</b> |
| <b>TOTAL WASTE</b>                  |               | <b>0</b>              | <b>15,271.0</b>          | <b>15,271.0</b> | <b>33,531.0</b>     | <b>16,137.6</b>          | <b>49,668.6</b> |

\* Includes, for example, waste delivered to suppliers that have agreements with the recycling chain

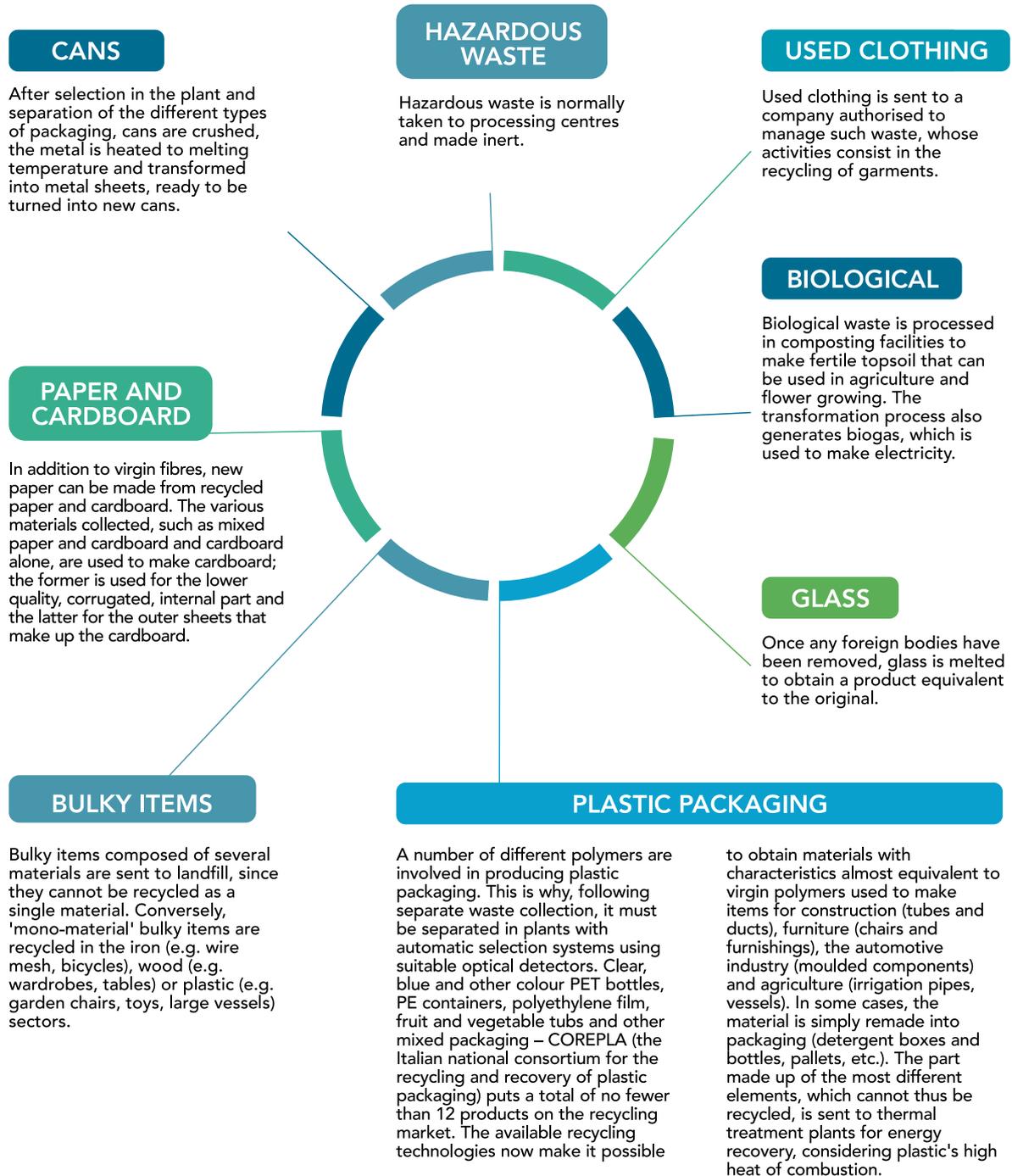
## Waste destined for disposal by disposal method

| Waste by composition                   | UoM           | 2021                  |                      |                |                     |                      |                |
|--|---------------|-----------------------|----------------------|----------------|---------------------|----------------------|----------------|
|  |               | Collected in Rovereto |                      |                | Collected in Trento |                      |                |
|  |               | IN SITU               | AT AN EXTER-NAL SITE | TOTAL          | IN SITU             | AT AN EXTER-NAL SITE | TOTAL          |
| <b>HAZARDOUS WASTE</b>                 | <b>tonnes</b> |                       |                      |                |                     |                      |                |
| Incineration (with energy recovery)    |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| Incineration (without energy recovery) |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| Disposal at landfills                  |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| Other disposal operations*             |               | 0                     | 0.1                  | 0.1            | 0                   | 0.8                  | 0.8            |
| -Other (Batteries, medicines, etc.)    |               | 0                     | 0.1                  | 0.1            | 0                   | 0.8                  | 0.8            |
| <b>TOTAL</b>                           |               | <b>0</b>              | <b>0.1</b>           | <b>0.1</b>     | <b>0</b>            | <b>0.8</b>           | <b>0.8</b>     |
| <b>NON-HAZARDOUS WASTE</b>             | <b>tonnes</b> |                       |                      |                |                     |                      |                |
| Incineration (with energy recovery)    |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| Incineration (without energy recovery) |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| Disposal at landfills                  |               | 0                     | 53.4                 | 53.4           | 530.9               | 1703.6               | 2,234.5        |
| -Bulky objects                         |               | 0                     | 0                    | 0              | 2                   | 0                    | 2              |
| -Other (Batteries, medicines, etc.)    |               | 0                     | 0                    | 0              | 0                   | 21.9                 | 21.9           |
| -Used clothing                         |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| -Residual                              |               | 0                     | 0                    | 0              | 346.6               | 1,681.7              | 2,028.3        |
| -Sweeping                              |               | 0                     | 53.4                 | 53.4           | 182.3               | 0                    | 182.3          |
| Other disposal operations*             |               | 0                     | 2,695.8              | 2,695.8        | 1,624.8             | 235.8                | 1,860.5        |
| -Bulky objects                         |               | 0                     | 7.7                  | 7.7            | 44.9                | 225.2                | 270.1          |
| -Other (Batteries, medicines, etc.)    |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| -Residual                              |               | 0                     | 2,688.1              | 2,688.1        | 1,579.9             | 10.6                 | 1,590.4        |
| -Sweeping                              |               | 0                     | 0                    | 0              | 0                   | 0                    | 0              |
| <b>TOTAL</b>                           |               | <b>0</b>              | <b>2,749.2</b>       | <b>2,749.2</b> | <b>2,153.7</b>      | <b>1,939.4</b>       | <b>4,095.0</b> |
| <b>TOTAL WASTE</b>                     |               | <b>0</b>              | <b>2,749.3</b>       | <b>2,749.3</b> | <b>2,153.7</b>      | <b>1,940.2</b>       | <b>4,095.8</b> |

\* This includes, for example, delivery to mechanical biological treatment plants

As of 2020, an accounting system for separate waste collection has been in place, whereby street sweeping sent for recovery in special plants is included in the quantities of waste sorted. In 2021, the two landfills in Trento and Rovereto continued to sort bulky waste for recovery, which further contributed to the increase in the percentage of separate waste collection.

## WHAT BECOMES OF THE SEPARATE WASTE?



## LABORATORY

The laboratory - specialised in the quality control of drinking water and the analysis of soils and waste - supports both the Dolomiti Energia Group's activities and many Trentino municipalities for which it performs analyses on the potability of the water in the water supply networks and on the wastewater coming from the purification processes. It is also a reference point for the environmental controls of many entities, professionals and companies that today make up a significant portion of its clientele.

Overall, during the year 12,691 samples were examined (18,118 in 2020), almost 58.5% (56.3% in 2020) of which for third parties. The number of samples tested decreased by approx. 6,000 units due to the exit of Depurazione Trentino Centrale from the scope. The Dolomiti Energia Group laboratory operates with an analysis process quality management system compliant with the provisions of the European UNI CEI EN ISO/IEC 17025:2005 standard which requires compliance with specific and strict quality and organisational standards.

## SALE OF ENERGY AND GAS

Through the trading company Dolomiti Energia, the Group sells energy, gas, services and energy efficiency products to free market customers throughout Italy. It instead operates under the Trenta brand on the enhanced protection service market. The number of total customers served for energy and gas amounts to 726,000 compared to 697,000 in 2020.

# Customer relations: transparent, clear and honest

The Group is committed to acting in accordance with the principles of economic, environmental and social sustainability in its actions, in order to reduce risks and ensure the consistent and sustainable long-term development of its business, so as to make an active, direct and informed contribution to the well-being of its stakeholders and the growth of the economic and social systems it serves.

It is therefore committed to setting up a relationship with the sales company's final customers based on trust, on helpfulness and flexibility, clarity and transparency in order to provide simple and comprehensible answers, to be prepared to listen, and to protect the company's reputation through conduct based on competence, accountability and fulfilling all its obligations, at all times. It undertakes to respect regulations, and both technical and legal standards, to keep customer data confidential, and to strive for continuous improvement of the performance of the Integrated Quality, Environment, Health, and Safety Management System, in compliance with the standards UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015.

These principles are translated into specific and measurable improvement objectives. These objectives include constant performance growth to achieve customer satisfaction, the pursuit of the best available technologies to protect the environment and the health and safety of our workforce, the reduction of accidents, the improvement of customer loyalty and the acquisition of new customers, thanks to commercial offers that are convenient and competitive and also clear and transparent so that customers are fully aware of all aspects when they sign. These guidelines also call for continuous monitoring of the market, to capture its needs and expectations, the comparison with the main competitors in the sector and the promotion of energy from renewable sources and systems for efficiency, electric mobility and energy saving.

In its relations with clients and users and the community in general, two stakeholders that often coincide and overlap, in addition to credit risks, market liquidity and commodity price risks, the Group has identified the following operating and strategic risk factors, the effects of which in reputational terms need to be assessed: the quality of drinking water, clean energy and gas, the continuity of distribution services, the fairness of sales offers made directly or through its sales network, the efficiency of the waste collection service, client satisfaction, ease of access to the service, respect for the environment and the safety of people that provide services for the customers.

## SUSTAINABLE OFFERS

The Group's commercial company offers diversified energy products and tariff plans, suitable to satisfy the various requirements of households and companies. To optimise and rationalise consumption, the offers provide advantages in terms of saving options, but also in terms of discounts, additional services such as the online support desk, the apps, bonuses of various kinds, call centre services, e-mail invoices, monthly invoicing on the bases of real consumption estimates, but above all the possibility of contributing directly to solidarity projects focusing on social or environmental innovation.

The Group has always been close to its customers, and in order to improve and keep its services accessible to families in particularly disadvantaged economic situations, it applies the facilities provided by ARERA in its billing through the social bonus.

Some offers provide tariffs based on time slots to the advantage of those customers who mainly consume energy during evening hours and at weekends, while at the same time making the national electricity grid more efficient. To promote more informed consumption behaviour and more efficient energy use, and more simply to explain how to properly read the information contained in bills, the Group participates with its experts in meetings and public events. For customers that are more concerned about environmental issues it offers gas supplies that are "100% CO<sub>2</sub> offset" and energy produced exclusively from renewable sources as "100% clean energy", a certified brand that guarantees the nature and the origin of the energy consumed, charging stations for electric mobility or offers that are linked to the sale of products and services for energy efficiency.

A specific commercial proposal is aimed at very large households. For business client supplies and major consumers, the commercial companies offer personalised advice along with made-to-measure conditions and tariffs. For Trade Associations and Organisations (retirement homes, craft workshops, hoteliers, etc.) the retailers stipulate framework agreements to offer competitive tariffs and simplified negotiation procedures.

## CLOSE TO OUR CUSTOMERS

With the aim of offering an increasingly higher level of customer care and service, in 2021 Dolomiti Energia continued to optimise activities aimed at understanding and satisfying the needs of each type of customer, paying particular attention to intercepting potential improvement actions.

In particular, the company launched a series of initiatives aimed at optimising the systems in use and the digital channels available to customers. With regard to the web area, the sales site of the commercial company was revamped with particular attention to user experience both for identifying commercial proposals and for requesting transactions and information. This was followed by the start of activities for the total revamping of the customer area, which will be completed during 2022.

The preparatory activities for the "Butterfly project" began this year and will continue over the next few years. They are focused on revising and modernising the management systems used by the company with a view to improving them in line with emerging business needs.

The services made available to customers include toll-free numbers, which are constantly being improved in terms of service quality and responsiveness, and are increasingly focused on satisfying commercial and information needs and requirements, enabling them to access the same services offered by branches in the area more easily from home. The toll-free number that is operational 82 hours a week, is open late into the evening, from Monday to Fridays from 8 am to 10 pm and answers also on Saturdays from 8 am to 8 pm. A special toll-free number and dedicated e-mail channels are available for Dolomiti Energia's deregulated market business customers, with specialised and fully trained operators, to provide an ever more rounded and specialist service.

The e-mail, web form and telephone channels were widely used during 2021 also because of the reduced accesses to the branches, leading to Dolomiti Energia's handling thousands of telephone calls and written requests every month.

The Group has 10 customer branches open throughout the provincial districts (Trento, Rovereto, Mezzolombardo, Pergine Valsugana, Borgo Valsugana, Panchià, Tione di Trento, Arco, Cles, Riva del Garda) with opening hours designed to enable customers to access services outside working hour constraints.

On some days of the week, the offices in Rovereto and Trento are also open to the public morning and afternoon, with no break for lunch. Also during 2021, in order to guarantee compliance with the regulations and precautions imposed by the pandemic, Dolomiti Energia's customers were able to benefit from a booking service to schedule 'secure and certain' access to branches. Bookings can be managed both online and by calling the company's toll-free numbers.

For those who prefer to manage their contracts remotely, the online help desk [www.sportelloclienti.it](http://www.sportelloclienti.it) has always been available, where everyone can search for information on their contracts, account and consumption.

During the year, the incentive campaign to use the [bollett@mail](mailto:bollett@mail) service continued, which allows to eliminate paper bills with obvious benefits both from an environmental point of view and in terms of simplified accessibility for customers, also for past bills thanks to a convenient digital archive that is always accessible.

Another channel available at all times is the online chat on the [www.dolomitienergia.it](http://www.dolomitienergia.it) website and the app, which allows users to check their consumption, view bills and submit readings. There is also an SMS notification and alert service. The service, which is completely free, enables customers to be promptly updated on the status of their energy, gas and water utility bills. Thanks to warnings directly on their smartphones via

SMS, customers can keep track of contracts, check on payments and receive automatic warnings regarding payment deadlines or unpaid invoices.

In the year 2021, the usual operator refresher training continued and training was carried out focusing on specific aspects of caring for social channels.

*In 2021, a well-known national consumer association published the results of its annual survey on the quality of service offered by the main electricity and gas suppliers. Dolomiti Energia was reconfirmed as one of the best electricity and gas suppliers. The annual ARERA Quality Survey also recognised the quality of Dolomiti Energia's services for 2021.*

## Promoting renewable energy and energy efficiency

In 2021, the Group confirmed its range of energy efficiency services for its customers throughout Italy and also increased its sales of the well-established products in this sector. Within this activity, Dolomiti Energia initiated a virtuous process with a growing number of business customers, aimed at reducing energy consumption and using energy resources more consciously and efficiently.

Concerning renewable sources, in 2021 the company confirmed its strategic choice to ensure to its customers that all the energy they consume during the year comes from renewable sources, certified by cancelling GO (Guarantee of Origin) certificates. Dolomiti Energia's fuel mix was estimated as 100% renewable in 2021 as well.

The services offered during 2021 by Dolomiti Energia as part of its energy efficiency package are:

## FOR COMPANIES

### Puro LED

Involves the replacement of a neon lighting system at the company's premises with new generation LED light fittings made in Italy; they provide savings of up to 50% of lighting costs while also increasing the comfort in the working environment.

*The Puro LED services subscribed to in 2021 enabled our customers to avoid 108 tonnes/year of CO<sub>2</sub> due to energy savings (not comparable with the 2020 figure, as the calculation methods have changed).*

### Power Quality solutions

They generate energy savings by improving the quality of the energy, acting on all the electrical parameters that produce that power and optimising the voltage by reducing the amount of active and reactive power that is absorbed by the electricity grid. Besides the savings, these power quality systems reduce losses along power lines, improve the quality of the power, stabilise the current voltage, extend the average life of electrical appliances and monitor the supervision and operation of the customer's system.

*The energy efficiency measures carried out in 2021 made it possible to avoid, thanks to savings in energy consumption, 64 tonnes of Co2/year/year (not comparable with the 2020 figure as the calculation methods have changed).*

### Energy audits and monitoring

The monitoring service offered by Dolomiti Energia provides accurate measurements of all electricity magnitudes in order to keep its own energy performance under control.

Thanks to the energy audit companies can identify real solutions to implement to improve their energy efficiency.

### Electric car charging stations

The Group offers its customers charging stations where they can recharge their electric cars to be installed in public and private spaces and thanks to which they can power their electric vehicles. During 2021, the number of devices increased compared to 2020: from 411 to 443, throughout the region. All the energy provided is generated by renewable hydroelectric systems. Thanks to this activity, we managed to avoid the consumption of 319.4 tonnes of oil equivalent and the emission di 940 tonnes of carbon dioxide during 2021.

## FOR PRIVATE CUSTOMERS

### Love led

An initiative whereby LED bulbs can be purchased for the home at favourable conditions: the kits of bulbs purchased at an advantageous price are paid in instalments in 36 months and charged directly to the customer's bill.

### The Naturalmente Sostenibile package

The package, included in the price of the offer, includes a variety of services and benefits for the customer:

- The certification "100% clean energy Dolomiti Energia" and "Gas 100% CO<sub>2</sub> Dolomiti Energia" certification
- An annual report, in digital format, on the amount of CO<sub>2</sub> saved and on the environmental impacts
- The monthly contribution in terms of CO<sub>2</sub> reduction is shown on the invoice
- Use of the "100% Dolomiti Energia clean energy" and "Gas 100% Dolomiti Energia CO<sub>2</sub>-compensated" brands
- A set of exclusive services for home efficiency and leisure time

### Etika: the first eco-fair cooperative energy purchasing group

The unique initiative, a partnership between not-for profit and for-profit organisations, stemmed from the agreement between Cooperazione Trentina, Casse Rurali Trentine, Family Cooperatives that have enrolled in SAIT, Con.Solida and the Social Cooperative La Rete together with Dolomiti Energia, and have built a system of mutual savings, where all stakeholders gain by taking part. In fact, the offer envisages the implementation of inclusive social projects in favour of people with disabilities and fragility, and protects the environment through the use of 100% green energy and the compensation of CO<sub>2</sub> emitted from domestic gas consumption, offering the customer savings. Thanks to the contracts activated in 2021 as well, it was possible to finance new projects to support the most vulnerable people.

*Thanks to this initiative, over the years it has been possible to avoid the emission into the atmosphere of 61,811 tonnes of CO<sub>2</sub>\*, equal to the amount absorbed by 1,979,946 trees.*

\* Calculated by estimating the absorption capacity of a tree (e.g., beech) in a forest context and aged 25 years at 40 kg of CO<sub>2</sub>. This value can be influenced by several allometric variables such as tree type, season, tree age, context in which the tree is planted, diameter and height.

In 2021, the Group launched the Dolomiti Energia Ecobonus 110%, a "turnkey" energy efficiency service for buildings, households and apartment blocks. The objectives of the interventions are to reduce consumption, increase the patrimonial value of the property and access the tax benefits provided by the State Superbonus.

Cumulative fundraising associated with Etika contract subscriptions (for which Dolomiti Energia donates €10 per active contract each year to the Etika Solidarity Fund) amounts to €2,398,180. The funds have made it possible to support other inclusive living projects involving dozens of people with disabilities and also initiatives to mitigate the social difficulties caused by the pandemic. The year also witnessed the consoli-

dation of Sinergika, an initiative using the same mechanism as Etika but aimed at customers outside the Trentino area.

*By supplying 100% green energy in its offers, Dolomiti Energia will offset 3,375,209 GO certificates for 2021, which will avoid the emission of 949,784 tonnes of CO<sub>2</sub> into the atmosphere (1,032,650 tonnes in 2020).*

## LISTENING TO CLIENTS AND CLIENT SATISFACTION

The commercial quality of Dolomiti Energia, SET and Novareti services is monitored through indicators expressed at national level by ARERA. These indicators, combined with requirements and procedures established internally, measure the efficiency and effectiveness of the company's performance in relation to its customers. The service level is measured by indicators and data acquired by management systems and constantly monitored in order to be able to identify critical areas and take prompt action to implement the best possible improvements.

For the Dolomiti Energia call centre, systematic monitoring of the quality of responses given to client requests by the company's contact centres and the customers' level of satisfaction is always in operation.

No direct customer satisfaction surveys were conducted in 2021. To measure the level of satisfaction, indirect methods such as monitoring indicators (service delivery time, complaints, response time, etc.) were used.

During the year 2021, 52 non-conformities were recorded relating to the various Group companies in terms of quality, safety and the environment as a result of internal/external audits, feedback from stakeholders and/or supervisory bodies.

There were no cases of non-compliance with regulations or voluntary regulations concerning the information and the labelling of products/services. All the findings were handled by the appropriate internal bodies and offices.

## THE QUALITY, SAFETY AND ENVIRONMENTAL MANAGEMENT SYSTEM

In order to guarantee constant improvement of the quality levels of its services, limit its environmental impact and prevent workplace health and safety risks, the Group has organised the management of certain company processes according to specific and internationally acknowledged standards:

- Certification under the international UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 schemes of the Integrated Quality/Environmental Management System to guarantee quality standards and ensure close attention is paid to environmental aspects in Dolomiti Energia's commercial services;
- ACCREDIA accreditation according to the UNI CEI EN ISO/ IEC 17025:2018 international standard on the technical and management quality of the chemical and microbiological tests performed in Dolomiti Energia Holding's Analysis Laboratory;

- Environmental Management system certification UNI EN ISO 14001:2015 for the electrical and thermal cogeneration plant operated by Novareti in Rovereto;
- Certification under the standards UNI EN ISO 9001:2015, UNI EN ISO 14001:2015 and UNI ISO 45001:2018 of the Integrated Quality/Environment Management System for the design and management of Novareti's natural gas distribution systems;
- Implementation throughout the Dolomiti Energia Group companies of occupational health and safety management systems based on the UNI ISO 45001:2018 standard;
- Certification under the UNI EN ISO 14001:2015, UNI ISO 45001:2018 international standards and EMAS registration for the Integrated Environmental/Safety Management System for the hydroelectric energy production managed by Hydro Dolomiti Energia and Dolomiti Edison Energy;
- Certification under the UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 international standards and EMAS registration for the Integrated Quality/Environment management system for the waste collection system used in Trento and Rovereto and operated by Dolomiti Ambiente;
- Certification under the UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 international standards of the Quality Management System for the design, management and development of photovoltaic plants and public lighting and for the development and provision of energy services operated by Dolomiti Energia Solutions;
- Certification under the UNI CEI 11352:2014 standard of the provision of energy services (ESCO) by Dolomiti Energia Solutions.

Furthermore, SET Distribuzione SpA, Dolomiti Ambiente Srl and Dolomiti Energia Holding SpA (solely for the Laboratory and Warehouse) are continuing a process on occupational safety based on behaviour-based safety training.

The sales company Dolomiti Energia SpA has obtained the basic Family Audit certification, which certifies the company's awareness and commitment to reaching an ideal balance between working life and personal and family life of the people working for it.

## Accessible, efficient and reliable services

To be able to always guarantee the utmost safety for citizens, workers and the environment, the production plants, networks and waterworks are monitored around the clock. This continuous oversight enables us to guarantee on a daily basis, not just a regular, prompt and efficient service, but it also allows us to detect critical situations and emergencies and promptly find solutions to them.

The year 2021 was characterised, on the one hand, by the persistence of the Covid-19 emergency, albeit profoundly different from the year 2020, and on the other hand by the economic recovery that generated strong growth in the activities requested by users.

In terms of pandemic control, SET scrupulously complied with the restrictions, obligations and recommendations issued by the Authorities to safeguard the health and safety of its employees and customers, as well as to the measures implemented by the Dolomiti Energia Group, aimed at mitigating the spread of the virus. These measures were adapted to the Company's operational needs, in view of maintaining continuity and availability of services in safe conditions.

From an operational point of view, the year 2021 was characterised as a year of growth in requests from users of all types and sectors, from industry to crafts to the housing sector, strongly driven by building renovations linked to government incentives.

Activities were completed during the year to prepare the plan for the mass installation of second-generation 2G meters, culminating in the presentation to ARERA of the request for admission to funding for all the investments planned. The implementation of the new information systems also continued, and documentation was prepared to contract the companies that will support the company in the massive meter changeover plan, which is expected to begin in the second half of 2022 and be completed in 2025. The electricity distribution network had a leakage rate of 2.38% in 2021, indicating an efficient network.

With regard to commercial quality, in 2021 SET Distribuzione maintained the good results of the previous years in compliance with the standards set by the Authority for the times of execution of the various services (quotes and simple work on low voltage network, activations and deactivations of measurement sets, replacements of faulty measurement sets, etc.). Approximately 30,000 services were rendered subject to a specific level of Commercial Quality, compliant with the prescribed times in 99% of the cases.

**Service accessibility: service interruption frequency index (average annual number of interruptions for low voltage customers due to long interruptions without warning G4-EU 28)**

|                            | 2021*        |              | 2020*        |              | 2019*        |              |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                            | Annual value | ARERA target | Annual value | ARERA target | Annual value | ARERA target |
| low concentration area     | 1.3          | 4.3          | 1.8          | 4.3          | 1.9          | 4.3          |
| medium concentration area  | 0.6          | 2.2          | 0.5          | 2.3          | 0.9          | 2.3          |
| high concentration context | 0.3          | 1.2          | 0.2          | 1.2          | 0.3          | 1.2          |

\* The result indicated actually refers to the previous year, since ARERA publishes the results and awards the prizes in the year following the reference year.

### Average service interruption duration index: average minutes of interruption per low voltage users due to long unannounced outages

|                           | Unit of Measurement | 2021         |              | 2020         |              | 2019*        |              |
|---------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                           |                     | Annual value | ARERA target | Annual value | ARERA target | Annual value | ARERA target |
| low concentration area    | minutes             | 28.9         | 68.0         | 30.8         | 68.0         | 30.0         | 68.0         |
| medium concentration area | minutes             | 19.9         | 45.0         | 10.3         | 45.0         | 17.1         | 45.0         |
| high concentration area   | minutes             | 5.7          | 28.0         | 8.9          | 28.0         | 8.0          | 28.0         |

\* The worsening of the indicators in some areas is due to a particularly severe weather event that occurred between 29 October and 4 November 2018

The Group systematically searches for leaks and performs maintenance along the gas distribution network in compliance with the standards of the ARERA directive. Together with the remote control system, a technologically advanced distribution network and its boosted quick intervention capability, this activity ensures that the network that the Group manages has very few leaks on the whole, and fewer than the national average.

For the gas distribution service, the commercial quality level is measured using a general company index which represents the percentage of services executed, within the standard times foreseen by ARERA, especially for services subject to specific quality levels to be guaranteed to the applicant and to which an automatic indemnity policy applies. The general company index of services performed within standard timeframes, for the purposes of service quality parameters, achieved during the year was 99.52% (99.87% in 2020).

For the water service, interruptions can be caused by force majeure events, malfunctions, programmed maintenance and maintenance needed to ensure the correct operation of the systems and to guarantee the quality and safety of the service. In this case, the client is promptly and suitably informed in advance to limit their inconvenience to a minimum. If shortages or service interruptions take place that last longer than 24 hours, an emergency replacement service can be activated. An emergency response service is at hand 24 hours, 7 days a week every day of the year and can be accessed on the toll-free number 800 969898. The technical operational staff is activated immediately and in a maximum of 2 hours will be on site to assess how to solve failures, water shortages or any other situation that could involve a risk to the health of citizens.

For the sewerage service, the maximum time that can pass between the fault being reported and the start of remedial work is 8 hours.

In order to ensure the continuity of the water service (aqueduct and sewerage), programmed leak search activities are carried out along the aqueduct network along with checks to ensure that the water supply system is operating properly and to check the static conditions of the sewerage network. The drinking water supply is constantly monitored to verify the network's main operational parameters. Further, in compliance with reference legislation, laboratory testing is performed periodically to guarantee the drinking quality of the water supplied to the final customer, by carrying out sample checks along the entire water supply system. The results of these regular water analyses are published on the website [www.novareti.eu](http://www.novareti.eu).

## Raising awareness on the sustainable use of resources

The Group, on a regular basis, opens its power stations, water mains and waste collection centres to schools of all levels, organised groups and citizens. In 2021, because of the pandemic, this activity, which allows people to participate every year in these opportunities to improve their knowledge and understanding of a world that interacts with all our daily lives by guaranteeing the services necessary for everyday life, was quite limited.

To this end, at the most significant sites, we provide specialised technicians to accompany visitors inside the facilities. Again due to the pandemic, the Dolomiti Energia Group could not continue its commitment to disseminating and raising awareness of clean energy issues by periodically opening to the public the Riva del Garda, Cogolo, Bussolengo and Santa Massenza power plants and, in particular, with "Hydrotour Dolomiti": the project aimed at enhancing and raising awareness of the hydroelectric plants in Trentino and the surrounding areas.

Visitors were able to discover, accompanied by qualified personnel and thanks to dedicated installations, the various aspects of hydroelectric production and many issues related to environmental and social sustainability.

2021 saw the continuation of the planning and preparatory activities for the creation of a panoramic walkway at the Diga di Santa Giustina plant, in cooperation with local institutions.

# Suppliers and the communities

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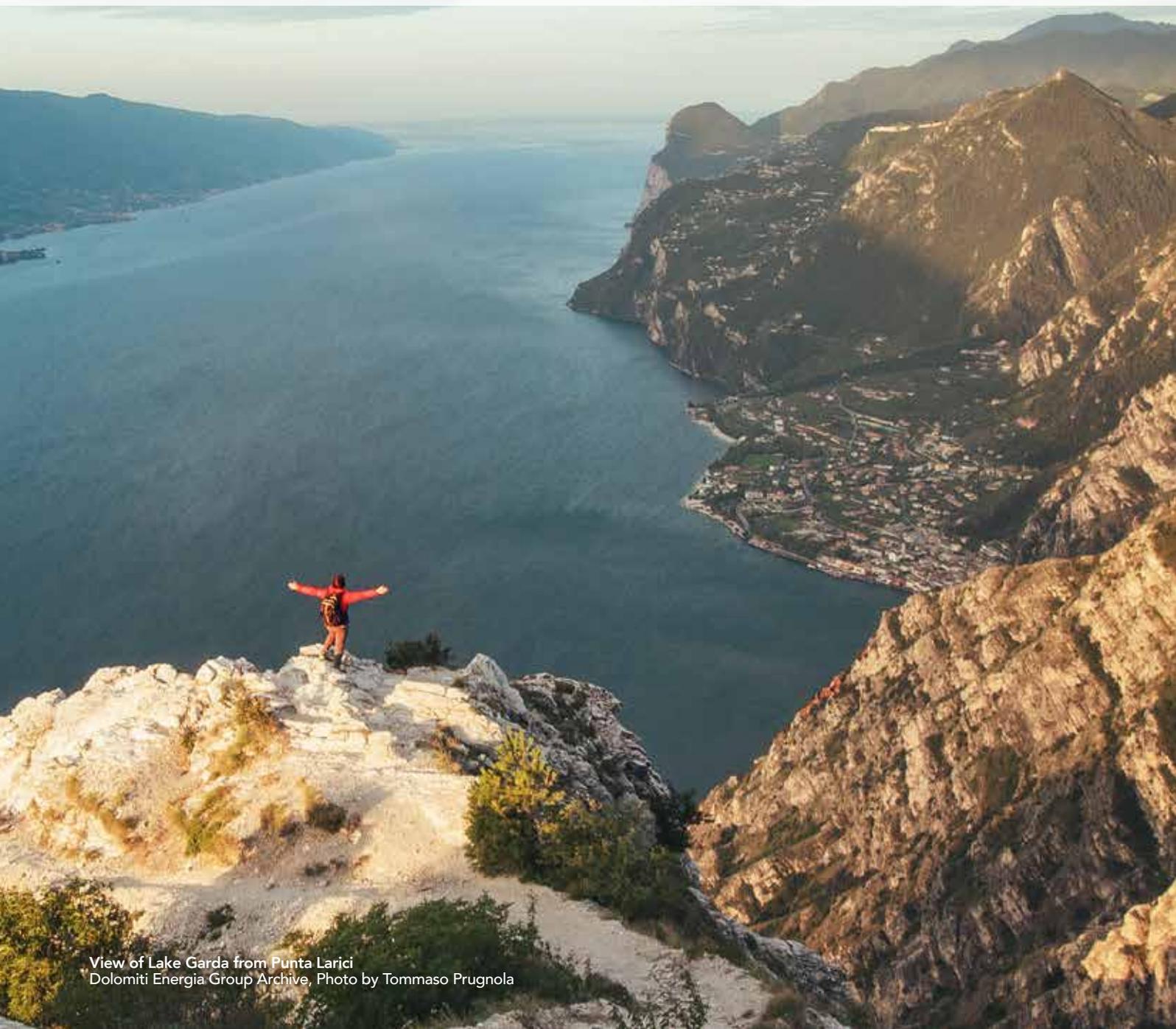
**52.8%**

percentage of  
expenditure on local  
suppliers for purchasing  
goods and services  
(52.4% in 2020)

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**100%**

of supply contracts  
contain clauses related  
to compliance with the  
Code of Conduct or Anti-  
corruption Laws in the  
last three years



## The supply chain



The Group's main supplies concern energy raw materials and the execution of work, services and supplies to support the various businesses. The procurement and logistics of the main materials are managed by a central department at the Parent Company for all companies. The organisation of the Group's procurement process is organised according to principles of affordability, effectiveness, impartiality, equal treatment, transparency, proportionality, publicity, environmental protection and energy efficiency. These principles govern the main processes that concern the supply chain as a whole and in particular the qualification and monitoring of the requirements and performance of the suppliers, the rules for the collection of offers and the standardisation of contractual clauses.

Starting in 2020, the procurement department has completed the renewal of its processes and in particular the change management activities in support of the new software platform dedicated to purchases. In addition, a new model has been adopted for the suppliers' performance ratings. During the most severe period of the pandemic, the department supported the companies' businesses in adapting the procurement strategy to the extraordinary context, providing its services on a continuous basis.

The Group's procurement acts upon request from the individual corporate departments and in line with the reference budget of each, with the related organisational responsibilities and in compliance with the principles set out in the internal procedures.

The main elements adopted in the procurement process, and codified in the Group's procedures concern all the main phases of the relationship with suppliers which are activated through an e-procurement platform, to facilitate easy and fair access to the Group's procurement requirements by the businesses concerned and to promote transparency, traceability and the lowest possible operating cost for the preparation of offers.

The use of an electronic platform provides the certainty of using standardised procedures, also adopted to implement current legislation on the matter, the Code of Ethics and the Group's Organisation, Management and Control Model, ensuring equal treatment, public disclosure as well as traceability, unambiguous identification of the departments and persons responsible for the stages of the process and the corresponding authorisation profiles.

Suppliers and external collaborators (including consultants, representatives, brokers, agents, etc.) are all required to comply with the principles contained in the Code of Conduct. To this end, specific clauses are included in letters of assignment and/or negotiated agreements, which foresee, in the event of violation, the termination of the contractual relationship and/or the application of penalties. Encouraging or entering into personal relationships in order to favour, influence, or undermine in an illicit fashion, whether directly or indirectly, the outcome of the relationship is forbidden, even in relation to the possible commission of the offence of bribery between individuals.

In supplier relations, the Group's employees are required to not exclude any supplier that meets the requirements from competing, adopting objective and transparent evaluation criteria in the selection process, to comply with the terms of the contract and to maintain clear and correct relations with the public officials in charge and with private counterparts, avoiding any behaviour that could impair the other party's freedom of judgement. In addition, all the documentation of the entire selection and procurement procedure must be archived so that each operation can be reconstructed.

Suppliers are given fair remuneration, certainty of payment and compliance with payment times, in exchange for their commitment to ever-increasing quality and efficiency.

Businesses remain in the Register of Qualified Suppliers subject to checking that they maintain the minimum requirements and to the results of audits and Vendor Rating activities of the services they offer following the performance of any contracts awarded to them.

During the contracting phase, the Group requests its suppliers to meet certain requirements with regard to social (work conditions) and environmental aspects which, for certain critical categories, are necessary right from the qualification phase. Insurance cover is also provided to protect the personnel involved, along with periodic checks regarding the legality of the wages and social security contributions of the people involved in the performance of contracts.

In continuity with the previous year, the rating system was updated in 2021, covering the available KPIs, the revision of the assessment areas and the validation of the Vendor Rating policy.

## SELECTION OF SUPPLIERS

Relations with suppliers are based on responsibility and involvement in compliance with the ethical, quality, environmental and safety standards adopted by the Dolomiti Energia Group, with the aim to build with them a proactive and cooperative relationship that can prevent the risks linked to the company's business and to occupational health and safety, and introduce organic measures to minimise environmental impact.

The economic operator is assessed for qualification purposes through a fully traced computer process, based on general, administrative and financial requirements, relating to quality, safety, environment, sustainability and technical issues, with reference to technical and organisational capacity, the development of the professional skills of its workforces and financial soundness. In particular, during the qualification of suppliers, information is collected regarding moral requirements, the protection of workers' health and, where applicable, the environmental impacts of the supplier's activities. All suppliers, even if only potential, must accept the Group's Code of Conduct, while the risk management measures set out in the Organisation, Management and Control Model are ensured by the detailed procedures adopted. Moreover, information is collected on the possession of environmental certifications and the availability of tools for reporting the CSR activities performed, such as the Non-Financial Disclosure.

For the contracting phase, the Group requests its suppliers to meet certain requirements with regard to social (work conditions) and environmental aspects which, for certain critical categories, are necessary right from the qualification phase.

Procurements concerning the award of critical activities for the Group's sectors of activity and which mainly

includes the provision of electrical materials and equipment, work contracts and services in the gas and electricity distribution, hydropower generation, and IT sectors are partly governed by the new Procurement Code, derived from the EU directives, which recommends the inclusion of sustainability criteria in tenders based on the criterion of the most advantageous offer.

The same criteria are also used for awarding contracts which, because of their characteristics, do not fall within the scope of public procurement regulations. For potential suppliers in these areas, special requirements are also adopted during the qualification phase.

In order to expand its supplier portfolio, the Sourcing unit of the Procurement Department also carries out market scouting, through meetings with potential suppliers.

During the year, new qualification systems were activated for tasks relating to professional and technical services and tasks relating to IT services - ICT - updating and expansion of the relevant categories of interest and general construction of power lines.

The percentage of cost spent with local suppliers with headquarters in the province of Trento amounts to 52.86% (52.4% in 2020) of suppliers of raw materials and services for all the Group's companies, equal to an expenditure of over €1.65 billion (€1.04 billion in 2020). Equally, the percentage of expenditure intended for European suppliers outside Italy fell to 0.16% this year (from 2.3% in 2020), equivalent to expenditure of around €5 million (€46 million in 2020). The figures do not take into account occasional service providers, tour guides, rents and licenses. It also does not include the purchase of raw materials outside the European Community.

The prevalence of Italian and local suppliers is determined by the specificity of the business, in particular by the need to very rapidly carry out maintenance work to ensure maximum system safety with greater competitiveness in terms of transport costs for supplies that are very heavy and large, thus also contributing to reduce the corresponding environmental impacts.

In 2021, 355 new suppliers were selected on the basis of environmental sustainability criteria (586 in 2020).

## PROTECTING SAFETY

Given the substantial reliance on external manpower in its procurement of works, services and supplies to maintain networks and plants that are critical for the continuity of the services provided and for the impact on safety and environmental protection issues, the Group adopts strict rules in terms of qualification, but also in the management of the performance of the contract, particularly in terms of occupational safety, the requirements of which are excluded from discounting processes applied in contract bids.

During qualification, the Dolomiti Energia Group also asks suppliers to provide proof of the existence and maintenance of documented procedures for the protection of workers' health and safety; for companies in sectors considered most significant from an environmental and safety point of view, an in-depth examination of management practices is also required.

In particular, in-depth analyses and periodic checks are scheduled regarding: the possession of the documentation required by the legislation in force concerning employment contracts, employees' knowledge of the Italian language, ensuring sufficient and adequate health and safety training for workers, including with respect to linguistic knowledge and operating procedures, as well as measures to respect the environment

and the effective and constant provision of specific training for the operating areas for which the suppliers are offering to work with the Group. In addition, particular attention is paid to differentiated training in relation to the professional figures identified, with a particular focus on specific areas of intervention considered particularly critical, such as operators involved in the assembly and maintenance of underground and overhead lines, plant trimmers, site managers, foremen and safety managers, operators in confined spaces, drivers of work vehicles, welders, operators on gas, electricity and water distribution lines and, in general, on operating plants. Checks are also envisaged with respect to specific appointments according to roles that must be held by virtue of tasks entrusted and to the appointment of the Prevention and Protection Department Manager (RSPP), the site safety representative, the head of emergency management and his or her replacement and the company physician.

In addition, in contracts stipulated with contractors, they are asked to provide immediate information on any accidents that may occur.

The actual training of personnel is verified through the online Supplier Relationship Management (SRM) platform at the first qualification stage and the company is obliged to keep the documentation up to date. The monitoring of the documentation's expiry is carried out both by automatic blocks that can be implemented on the system (automated expiry notices), and "manually" in the case of invitations to tender and/or award procedures.

To minimise the risk of breaches of human and labour rights affecting employees and third parties, suppliers must, in addition to submitting the specific documentation of the instrumental contracts, take out specific insurance policies to cover damages to persons and property, including property owned by the contractor, for the entire duration of the work and for an amount proportionate to the nature of the work and periodic copies of the tax and social security payments made.

With reference to the above, the collection of accident data from suppliers started in 2021. This process will be finalised in 2022.

## CIRCULAR ECONOMY

During 2021, the Group continued its activities aimed at acquiring the soft skills necessary for managing procurement according to circular economy practices.

## SUPPLY OF ENERGY RAW MATERIALS

The trading activities in electrical energy and ancillary services and environmental products in terms of sourcing in favour of the Group companies and in terms of the Group's production optimisation are guaranteed by the subsidiary company Dolomiti Energia Trading. Contracts with suppliers of energy raw materials also include a clause concerning compliance with current anti-corruption laws.

# Responsible relations with communities

The role and nature of the Group and of its activities call for constant dialogue and interaction with National Institutions and Local Authorities. On a local level, the stakeholders range from universities and research centres, to local associations and institutions, to the municipalities that own the public services operated by the Group and the bodies responsible for supervision and prevention related to the sectors in which the Group operates.

At a national level, since the Group's business is highly regulated, a condition that over the long term directly affects economic aspects, the Group interacts with the industry's regulatory authority (ARERA) which is tasked with enforcing national regulations and supervising competition and efficiency in the water, environmental, gas and energy sectors. Moreover, the Group entertains relations with parties that are technical experts in the field such as Terna (the Manager of the National Transmission Network), GSE (the Manager of Electrical Services), GME (the manager of the Electricity Market), the Single Buyer (the Entity responsible for energy procurement for the enhanced protection service market).

## TRADE ASSOCIATIONS

The Group maintains constant dialogue with national and local Trade Associations to promote petitions, in relation to the various businesses, which may contribute to improving the provision of its services and enhancing its know-how. In order to promote its interests before Italian and European institutions and to provide specialist support for its organisational structures, it actively participates in trade associations, technical committees and strategic work groups set up within them, both in Italy and Europe.

Among the main ones that the Group is a member of:

### **ANIGAS**

Associazione Nazionale Industriali Gas represents companies that are engaged in any one or more of the following activities in the entire gas chain: transport, storage, regasification of liquefied natural gas, distribution and sale of natural gas on the final and wholesale markets, trading, and methane gas for automotive use. The Group is represented by the subsidiaries Dolomiti Energia and Novareti. Furthermore, the Chairman of the Parent Company is also a member of the Chairman's Committee and the Board of Directors.

The Group participates in the Association's Technical Commissions formed to explore the topics of importance for the gas sector, assessing the initiatives to be proposed at the association level.

### **UTILITALIA**

The Federation that brings together all the companies operating in public services related to water, the environment, electrical energy and gas, with the Parent Company Dolomiti Energia Holding being a member.

The Group is also represented in the Executive Board and the Board of Directors as well as in the various specific Commissions, Committees and Transversal Technical Groups set up by the Federation. The organisation has more than 500 members in the water, environment, electricity, and gas sectors.

#### **AIGET**

Italian Energy and Trader Wholesalers Association of which the subsidiary Dolomiti Energia Trading is a member. The Association promotes competition and transparency within the energy markets, fosters the development and standardisation of primary energy products, derivatives and the relevant markets. It analyses with its various partners the critical points that affect the trade of energy products and promotes initiatives aimed at their resolution among grid and market operators, government agencies and competent authorities.

#### **ACCADEMIA AGICI - OSSERVATORIO OIR – OSSERVATORIO TEE**

Agici Finanza d'Impresa is a research and consulting company specialised in the field of utilities, renewables, infrastructure and energy efficiency. Dolomiti Energia Holding is a member of the Osservatorio Internazionale sull'Industria e la Finanza delle Rinnovabili (International Observatory for the Industry and Financing of Renewables), launched in 2008 in conjunction with the GSE, which systematically analyses the production chains of Italian and international renewables, going beyond biased outlooks and focusing on industrial issues, innovation and finance. This is also to make proposals for the policy maker. Dolomiti Energia Solutions is a member of the Osservatorio del Mercato dei TEE (observatory of the energy efficiency certificates market).

#### **AIAS**

The Italian Professional Association for Environment and Safety offers services dedicated to the health and environmental safety sector via conferences, technical documents, regulatory training courses, and coverage of any legal costs for litigation. Dolomiti Energia Holding SpA is a member.

#### **UNI**

UNI - Ente Italiano di Unificazione is an organisation that draws up and publishes voluntary regulatory documents (UNI standards, technical specifications, technical reports and reference practices) in all industrial, commercial and tertiary sectors. It has more than 4,000 members, including our parent company Dolomiti Energia Holding.

#### **IT COLD**

The Italian National Committee for Large Dams is a cultural and scientific association which seeks to promote and facilitate the study of all problems connected with dams, their construction and operation. Hydro Dolomiti Energia is a member of this committee.

#### **REF-E, E-Innovation Committee**

Think-tank created to investigate the key issues of the transition, analyse, also through case studies, the sustainability of investments in innovative technologies, contextualise the technological options in the various production sectors, and accompany partner companies along the challenging path of the opportunities offered by the energy transition and climate change. Associated company: Dolomiti Energia Trading.

#### **IBC**

The Association of Consumer Goods Industries, which brings together producers of consumer goods and seeks to promote the effectiveness and efficiency of the industry in relations with the market, through

measures that seek to provide contributions of ideas and projects to boost production competitiveness. Associated company: Dolomiti Energia Trading.

### **ELETTRICITÀ FUTURA**

Created from the merger between Assoelettrica and AssoRinnovabili, it unites the Italian industry of both conventional and renewable electricity, and is the main association of companies operating in the Italian electricity sector, associated with Dolomiti Edison Energy and from 01/01/2022 with Dolomiti Energia Holding as its parent company.

### **EU DSO Entity**

Association of Electricity Distributors of EU Countries, a non-profit association created following the enactment of European Regulation (EU) 2019/943 with the aim of better representing the electricity distribution companies (DSOs) of the EU Member States, of which SET Distribuzione is a member.

The Dolomiti Energia Group also participates through the Parent Company and its subsidiaries in the following National Associations:

- **AIRU** Associazione Italiana Riscaldamento Urbano, the Italian association for urban heating. Dolomiti Energia Holding is a member.
- **AEIT** the Italian association of electrotechnics, electronics, automation, computer science and telecommunications. The subsidiaries Hydro Dolomiti Energia and SET Distribuzione are members.
- **AIIA** Italian Association of Internal Audit. Dolomiti Energia Holding is a member.
- **APCE** Association for the protection of metal structures from electrolytic corrosion. Novareti is a member.
- **UNICHIM** Association for the unification of the chemical industry sector, federated with UNI (the Italian standards body). **Dolomiti Energia Holding is a member.**
- **AITI** Trade association that brings together the treasury offices of the leading Italian companies. Dolomiti Energia Holding is a member.
- **CTI**, the Italian Thermotechnical Committee, a body affiliated to the UNI, conducts legislative and unifying activities in the various thermotechnical sectors and supplies its members with regulatory tools for developing the thermotechnical sector. Novareti is a member.
- **CLUSTER ENERGIA**, the National Technological Energy Cluster (CTN), a trade association chaired by ENEA with the objective of searching for, developing and growing the next generation of innovative technologies, products and services for the energy sector. SET Distribuzione is a member.

The Group is also a member of the following organisations in order to represent its interests with local institutions:

- **ACOST** An association of safety coordinators for Trentino. SET Distribuzione is a member.
- **APINDUSTRIA** An association of small and medium enterprises of Verona. Dolomiti Energia is a member.
- **CONFINDUSTRIA TRENTO** Sistema Confindustria and Associazione degli Industriali Trentini, part of the Confindustria System. Dolomiti Energia Holding and Dolomiti Energia Solutions are members.

- **CONFCOMMERCIO TRENTO**, Italian General Confederation of trading companies. Dolomiti Energia Holding, Dolomiti Energia, Dolomiti Energia Trading, Novareti, and Set Distribuzione are members.
- **ASSOENERGIA** The Confindustria system organisation that offers services linked to the world of energy. Novareti is a member.
- **CFP VERONESI** A vocational training school.
- **ACCADEMIA DEGLI AGIATI** A historical local cultural association.

## OUR SUPPORT FOR THE COMMUNITY AND LOCAL INITIATIVES

The Group has a strong link to its service area and pays the utmost attention to the needs that it expresses, actively supporting the local communities by jointly participating in many kinds of initiatives.

Dolomiti Energia Group's focus on the local community has – for many years now – become a constant and tangible support for all the projects and activities in the fields of art and culture, environmental awareness, sport and associations, that help improve the community's living standards and those of its citizens.

During 2021, the Group allocated more than Euro 2.7 million (over Euro 2.1 million in 2020) for sponsorships and donations. Among the main initiatives, the Etika project enabled major interventions to support people with disabilities to live more independently, support for festivals open to citizens which have made issues such as the economy, respect for the environment, the mountains or weather forecasting accessible (at least online, considering the limitations on face-to-face meetings) to the most diverse audiences. Despite the pandemic in 2021, the Group remained close to people through concrete and targeted actions in the local area for suppliers, customers and citizens, and by promoting the healthy values of team sports such as basketball or volleyball.

The Group's economic impact is also measured by the support it provides to public spending thanks to its contribution to tax revenue and the remuneration of the capital of its public shareholders, thus favouring further investments which benefit the community. During the year the Group paid taxes and dues worth € 311 million (€ 263 million in 2020).

In 2021, the Group also invested € 105.7 million (€ 87.7 million in 2020), a large part of which was spent to improve its plants, distribution networks, and local production facilities, and to strengthen the services benefiting its stakeholders.

The remuneration of shareholders will be paid by the Dolomiti Energia Holding 2021 dividend, which will largely benefit the community through the public shareholders of the parent company Dolomiti Energia Holding.

## Research and innovation

Electricity grid management: in 2021, activities with high innovation content continued, on one hand with the oversight of strategic relationships and on the other with the implementation of real solutions in support of corporate processes, of the operation and advanced management of the network of the near future, also in compliance with the indications of ARERA.

As part of the Industry 4.0 initiative, the Group has created a number of innovative projects over the last few years on its generation, trading, sales to end customers, gas, electricity and water network management chains. It has focused its commitment to innovation with projects concerning:

- Technical investments to continue supporting the development, renewal and upgrading of distribution networks, promoting technological innovation, the efficient use of resources, the optimal management of energy flows fed into the networks by distributed generation plants and, more generally, the improvement of network performance;
- Update of the multi-year plan to increase the resilience of the medium-voltage grid, which aims to further increase the grid's ability to withstand exceptional weather events;
- Commitment to the continuous improvement of all processes, in particular with the extension of the Workforce Management system to all impacted units and processes, leading to significant optimisation in terms of planning and reporting operational activities in the area;
- Initiatives relating to network enhancement, service improvement and regulatory upgrading of plants, which saw a strong increase in activity volume compared to the already significant values of previous years and amounted to approximately €12.5 million;
- The SIR (Sistema Informativo Reti - Network Information System) system developed ad hoc for the network management activities of Dolomiti Energia Group stands as a focal point in the main company flows, in particular between the commercial management environment, the remote manager TMM and the remote control of the networks, incorporating the data structures and distribution work processes and unifying all the information management logics of the technical data;
- Active participation of personnel in technical committees and strategic working groups at both Italian and European level;
- Continuation of activities related to the European project STARDUST (Horizon 2020), in which innovative communication solutions for collecting information from plants are being tested.

For further details, see the 2021 Consolidated Financial Statements.

#### € 100 MILLION FOR THE 2021-2024 DEVELOPMENT PLAN

*The Dolomiti Energia Group has signed an agreement with the European Investment Bank (EIB) for projects to extend, modernise and upgrade electricity distribution grids, install smart and second-generation meters, renew and increase the performance of existing hydroelectric plants, make public street lighting more efficient and improve the operating efficiency of water networks.*

*These interventions are part of the Italian and European policies dedicated to the energy and environment sector in order to achieve the objectives of energy transition, decarbonisation and sustainable networks.*

*The investments generated by the financing will contribute to the meeting of energy needs, to sustainable and shared growth and better access to Dolomiti Energia Group services also in the new areas of activity.*





## Environmental protection

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**88,630**

contributors benefit from the municipal sanitation service

(84,424 in 2020)

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**39**

hydroelectric power plants with EMAS registration



In light of the activities it manages, the Dolomiti Energia Group has a strong bond with its territory and environment and is well aware that its operations affect the economic, social and environmental development and the living standards throughout the territory itself. The Group has adopted a specific policy on environmental matters in which it has publicly stated its commitment, at all levels, to do business responsibly and sustainably. With this document, the Group asks all its recipients, whether directors, employees and agents of the Dolomiti Energia Group and its subsidiaries, as well as all those who work in the name of and on behalf of the Group, to follow and comply with the guidelines and conduct set out therein.

In particular, this requires the application of the following behavioural principles:

- Comply with the provisions, technical and legislative regulations and resolutions of the regulatory authority of reference applicable to the sector of activity, which establish the fundamental principles and set the standards for the services provided, concerning environmental issues based on the principle of risk prevention and mitigation, including those related to climate change.
- Implement and periodically assess the Integrated Quality, Environment, Health, and Safety Management System in order to ensure respect and protection of the environment.
- Analyse on a recurrent basis the environmental risks and opportunities in the context in which the Group companies operate, also in order to prevent and manage environmental emergencies.
- Periodically define environmental protection objectives and the specific strategies required to achieve them.
- Provide accurate and timely measurement and reporting on the reference indicators of the Integrated Quality, Environment, Health and Safety Management System of the Dolomiti Energia Group in order to identify any need for corrective action.
- Consider the eco-friendly behaviour of all employees as an integral part of Dolomiti Energia Group's values, and, accordingly promote actions and behaviours that support its implementation.
- Responsibly manage the environmental impact of the Group's activities in the same way as the quality of performance and service provided to our customers.
- Protect the climate by reducing greenhouse gas emissions and promoting renewable sources for energy production and procurement.
- Sustainably manage the energy, water and other natural resources used, carefully optimising their use, and reduce their waste.
- Reduce waste production, promote the use of recycled materials and encourage the use of responsible disposal methods.
- Encourage the development and deployment of sustainable technologies and services capable of efficiently managing water and energy consumption and contributing to mitigate the risks related to climate change.

- Protect the natural environment, the ecosystem and the biodiversity of the areas where the plants are located, taking into account the impacts on the territory and on natural resources.
- Collaborate with external bodies (e.g., public administration, suppliers) to disseminate widespread awareness of environmental protection.
- Dialogue with workers and their representatives regarding compliance with the rules and regulations on environmental protection, in order to increase their contribution to the Group's strategies.
- Collaborate with stakeholders, through open and constructive dialogue, seeking solutions to improve the Group's environmental performance and that of the communities it serves.

## Managing environmental impacts

All of the Group's operating companies have implemented a model for the prevention of environmental crimes as required by Italian Legislative Decree no. 231 by adopting management systems in line with the UNI EN ISO 14001 standard. At Dolomiti Ambiente, Hydro Dolomiti Energia, Dolomiti Edison Energy, Dolomiti Energia and Novareti (limited to the GAS service and the cogeneration plant in the Industrial Area in Rovereto), the environmental management systems have been subject to certification based on the UNI EN ISO 14001 standard. For Dolomiti Ambiente, Hydro Dolomiti Energia and Dolomiti Edison Energy, EMAS registration was also secured.

The main environmental risks linked to the Group companies' business are related to potential emergency events in the waste management sector, in the management of the water cycle, specifically involving the collection of wastewater and its purification, the management of hydroelectric production and the production of electricity and heat using cogeneration processes.

In real terms, the potential environmental risks identified are possible impacts on the contamination of the soil, subsoil and aquifers, on flora, fauna, and biodiversity, on polluting emissions and the emission of greenhouse gases into the atmosphere.

The Group's commitment to safeguarding the environment is borne out by the absence also during 2021 of any significant fines or sanctions due to a failure to comply with laws or regulations related to environmental issues.

# Energy Consumption

In 2021, the Group consumed 1,077,879.60 GJ (equivalent to approximately 300 GWh of energy), which is the amount required to meet the annual energy needs of almost 111,000 households (assuming an average annual consumption of 2,700 kWh/year). The total consumption is given by the contributions of: electricity drawn from the grid (37.5%), electricity produced and internally consumed on site (8.0%), natural gas (53.7%) and thermal energy drawn from the district heating network (0.8%). It should be noted that, in the energy drawn from the grid, the consumption of electricity supplied by Dolomiti Energia and the electricity for pumping in hydroelectric power plants have been taken into account.

The most energy consuming activities of the Group are the pumping at hydroelectric plants and the production of thermal energy for district heating and cogeneration. In particular, the latter activity is the one that causes the Group's greatest environmental impacts, particularly in terms of greenhouse gas emissions.

The Group's direct energy consumption mainly concerns the use of fuel (natural gas) to produce electricity and heat in the plants (e.g., cogeneration), as well as non-renewable primary energy flows not directly related to energy production (e.g., heating, etc.).

Indirect energy consumption is mainly due to the Group's consumption of electricity (Dolomiti Energia Holding, Hydro Dolomiti Energia, SF Energy, Dolomiti Edison Energy, Novareti, SET Distribuzione, Dolomiti GNL, Dolomiti Energia Solutions, Dolomiti Ambiente and Dolomiti Energia Hydro Power), which refers to the Group's offices, production plants, user plants (such as water pumping pumps) and lighting plants under management. The Group has electricity production plants (hydroelectric, photovoltaic, cogeneration and thermoelectric) that have produced a total of 3513 GWh; a very small part of this energy (24.1 GWh, equal to 0.7% of the total) is used internally.

The total electricity requirement, given by the sum of energy withdrawn and consumed within the Group, was 138 GWh (equivalent to over 491,000 GJ). This consumption was provided by 98% renewable energy, therefore with no CO<sub>2</sub> emissions.

In addition to the direct and indirect consumption data specified above, we must take into account the fuel consumption of the company's fleet of vehicles, relating to the rental company Arval, which amounted to 1,440,901 litres, split between diesel (95.55%), petrol (4.43%) and natural gas/LPG (0.02%).

## Total energy consumption within the organisation

|   |           | 2021                | 2020                | 2019                |
|---|-----------|---------------------|---------------------|---------------------|
| Non-renewable fuel consumed                                       | GJ        | 578,286.28          | 668,950.34          | 860,486.51          |
| Non-renewable fuel consumed                                       | GJ        | 0                   | 0                   | 0                   |
| Electricity, heating, cooling and steam purchased for consumption | GJ        | 413,007.69          | 388,816.41          | 400,892.42          |
| Electricity, heating, cooling, and steam produced internally      | GJ        | 13,718,759.05       | 15,717,014.88       | 12,445,091.47       |
| (-) Electricity, heating, cooling, and steam produced sold        | GJ        | 13,632,172.42       | 15,626,966.25       | 12,386,213.36       |
| <b>TOTAL</b>  | <b>GJ</b> | <b>1,077,879.60</b> | <b>1,147,815.38</b> | <b>1,320,257.04</b> |

## Direct energy consumption within the organisation, by source

|                                    |           | 2021              | 2020              | 2019              |
|------------------------------------|-----------|-------------------|-------------------|-------------------|
| <b>FROM NON-RENEWABLE SOURCES</b>  | <b>GJ</b> | <b>578,286.28</b> | <b>668,950.34</b> | <b>860,486.51</b> |
| Natural gas                        | GJ        | 573,507.05        | 663,706.26        | 851,942.37        |
| For heating                        | GJ        | 39,645.91         | 35,818.20         | 35,650.23         |
| For cooling                        | GJ        | 0                 | 0                 | 0                 |
| Other (i.e., burned in own plants) | GJ        | 533,861.13        | 627,888.06        | 816,292.14        |
| Diesel                             | GJ        | 641.51            | 1,085.84          | 915.55            |
| Other (specify in notes field)     | GJ        | 144.90            | 169.76            | 529.49            |
| LPG                                | GJ        | 3,992.83          | 3,988.48          | 7,099.05          |
| <b>FROM RENEWABLE SOURCES</b>      |           | <b>0</b>          | <b>0</b>          | <b>N/A</b>        |
| Biogas                             | GJ        | 0                 | 0                 | 0                 |
| Biomass                            | GJ        | 0                 | 0                 | 0                 |
| Other (specify in notes field)     | GJ        | 0                 | 0                 | 0                 |
| <b>TOTAL</b>                       | <b>GJ</b> | <b>578,286.88</b> | <b>668,950.34</b> | <b>860,486.51</b> |
| SF6 (replenishments)               | GJ        | 0.02              | 0.01              | 0                 |

## Indirect energy consumption within the organisation, by source

|  |     | 2021             |               | 2020             |               | 2019              |               |
|--|-----|------------------|---------------|------------------|---------------|-------------------|---------------|
|  |     | YEAR             | (GJ)          | YEAR             | (GJ)          | YEAR              | (GJ)          |
| <b>FROM NON-RENEWABLE SOURCES</b>          |     |                  |               |                  |               |                   |               |
| <i>Of which purchased for consumption:</i> | kWh | 2,353,760.00     | 8,473.54      | 2,024,282.00     | 7,287.42      | 2,240,050.00      | 8,064.18      |
| Electricity                                | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| Thermal energy                             | kWh | 2,353,760.00     | 8,473.54      | 2,024,282.00     | 7,287.42      | 2,240,050.00      | 8,064.18      |
| Energy for cooling                         | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| Steam                                      | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| Other sources (specify in the notes field) | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| <i>Of which produced internally:</i>       | kWh | 111,364,934.00   | 400,913.76    | 120,804,743.00   | 434,897.07    | 147,807,010.00    | 532,105.24    |
| Electricity                                | kWh | 24,799,902.00    | 89,279.65     | 25,984,432.00    | 93,543.96     | 45,900,000.00     | 165,240.00    |
| Thermal energy                             | kWh | 82,723,112.00    | 297,803.20    | 73,972,646.00    | 266,301.53    | 67,700,000.00     | 243,720.00    |
| Energy for cooling                         | kWh | 3,841,920.00     | 13,830.91     | 3,284,840.00     | 11,825.42     | 3,507,010.00      | 12,625.24     |
| Steam                                      | kWh | 0                | 0             | 17,562,825.00    | 63,226.17     | 30,700,000.00     | 110,520.00    |
| Other sources (specify in the notes field) | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| <i>Of which sold:</i>                      | kWh | 111,364,934.00   | 400,913.76    | 120,804,743.00   | 434,897.07    | 147,807,010.00    | 532,105.24    |
| Electricity                                | kWh | 24,799,902.00    | 89,279.65     | 25,984,432.00    | 93,543.96     | 45,900,000.00     | 165,240.00    |
| Thermal energy                             | kWh | 82,723,112.00    | 297,803.20    | 73,972,646.00    | 266,301.53    | 67,700,000.00     | 243,720.00    |
| Energy for cooling                         | kWh | 3,841,920.00     | 13,830.91     | 3,284,840.00     | 11,825.42     | 3,507,010.00      | 12,625.24     |
| Steam                                      | kWh | 0                | 0             | 17,562,825.00    | 63,226.17     | 30,700,000.00     | 110,520.00    |
| Other sources (specify in the notes field) | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| <b>FROM RENEWABLE SOURCES</b>              |     |                  |               |                  |               |                   |               |
| <i>Of which purchased for consumption:</i> | kWh | 112,370,319.73   | 404,533.15    | 105,980,275.48   | 381,528.99    | 109,118,955.97    | 392,828.24    |
| Hydroelectricity                           | kWh | 112,370,319.73   | 404,533.15    | 105,980,275.48   | 381,528.99    | 109,118,955.97    | 392,828.24    |
| Solar power                                | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| Other sources (specify in the notes field) | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |
| <i>Of which produced internally:</i>       | kWh | 3,699,401,469.95 | 13,317,845.29 | 4,245,032,724.69 | 15,282,117.81 | 3,309,162,844.10  | 11,912,986.24 |
| Hydroelectricity                           | kWh | 3,698,692,691.95 | 13,315,293.69 | 4,244,314,541.69 | 15,279,532.35 | 3,308,502,340.11* | 11,910,608.42 |
| Solar power                                | kWh | 687,783.00       | 2,476.02      | 707,108.00       | 2,545.59      | 660,503.99        | 2,377.81      |
| Other sources (Via Fersina cogenerators)   | kWh | 20,995.00        | 75.58         | 11,075.00        | 39.87         | 0                 | 0             |
| <i>Of which sold:</i>                      | kWh | 3,675,349,626.02 | 13,231,258.65 | 4,222,019,215.94 | 15,192,069.18 | 3,292,807,813.54  | 11,854,108.13 |
| Hydroelectricity                           | kWh | 3,675,084,595.02 | 13,230,304.54 | 4,219,736,067.94 | 15,191,049.84 | 3,292,591,998.13  | 11,853,331.19 |
| Solar power                                | kWh | 265,031.00       | 954.11        | 283,148.00       | 1,019.33      | 215,815.41        | 776.94        |
| Other sources (specify in the notes field) | kWh | 0                | 0             | 0                | 0             | 0                 | 0             |

\* This value does not include the production of Dolomiti Edison Energy since the operational management of the plants in 2019 was entrusted to Edison

## Company vehicle fleet fuel consumption

|                                |           | 2021             | 2020             | 2019             |
|--------------------------------|-----------|------------------|------------------|------------------|
| <b>AUTOMOBILES</b>             | <b>GJ</b> | <b>9,862.56</b>  | <b>9,284.52</b>  | <b>8,977.32</b>  |
| Diesel                         | GJ        | 8,612.16         | 8,862.88         | 8,612.78         |
| Petrol                         | GJ        | 1,250.39         | 421.63           | 364.52           |
| Methane                        | GJ        | 0.01             | 0.01             | 0.02             |
| LPG                            | GJ        | 0                | 0                | 0                |
| <b>VANS AND HEAVY VEHICLES</b> | <b>GJ</b> | <b>44,902.11</b> | <b>42,727.74</b> | <b>40,782.05</b> |
| Diesel                         | GJ        | 43,959.47        | 41,814.65        | 40,676.47        |
| Petrol                         | GJ        | 942.62           | 913.09           | 105.56           |
| Methane                        | GJ        | 0.01             | 0.01             | 0.02             |
| LPG                            | GJ        | 0                | 0                | 0                |
| <b>TOTAL</b>                   | <b>GJ</b> | <b>54,764.66</b> | <b>52,012.26</b> | <b>49,759.37</b> |

This consumption pertains only to the Arval rental company, the main one for the Group, compared to the other two companies, Leasys and Car Server, the data of which are not included. Thanks to an improved reporting system, the methods used to calculate the company fleet's fuel consumption have been refined, dividing them into cars and vans and heavy vehicles.

## Energy intensity

|  |                      | 2021           | 2020           | 2019           |
|--|----------------------|----------------|----------------|----------------|
| Direct energy consumption*               | kWh                  | 160,635,077.78 | 185,819,539.55 | 239,024,029.40 |
| Indirect energy consumption*             | kWh                  | 138,775,923.66 | 133,018,066.23 | 127,714,036.53 |
| Gross energy production*                 | kWh                  | 3,513,514,000  | 3,991,210,000  | 3,630,500,000  |
| Energy intensity                         | kWh/kWh              | 0.085          | 0.080          | 0.101          |
| Energy intensity, by number of employees | kWh/No. of employees | 211,150        | 222,341        | 269,264        |

\* Figure includes the production generated by the Ponti sul Mincio power plant

## WHAT WE HAVE DONE TO REDUCE ENERGY CONSUMPTION

Initiatives undertaken to reduce energy consumption

|  | 2021           |                             | 2020           |                             | 2019           |                             |              |
|--|----------------|-----------------------------|----------------|-----------------------------|----------------|-----------------------------|--------------|
|  | Type of energy | Reduction amount (estimate) | Type of energy | Reduction amount (estimate) | Type of energy | Reduction amount (estimate) |              |
| Replacement of the lighting fixtures with new LED technology, etc. | kWh            | electricity                 | 1,033,827.75*  | electricity                 | 2,177,002.46*  | electricity                 | 2,046,379.00 |
| Replacement of thermal plants                                      | kWh            | thermal                     | 198,470.16     | thermal                     | 6,604.00**     | thermal                     | 0            |
| Installation of photovoltaic plants                                | kWh            | electricity                 | 0              | electricity                 | 0              | electricity                 | 0            |
| Other  | kWh            | electricity and heat        | 1,296,733.97   | electricity                 | 64,803.00***   | electricity                 | 91,300.00    |

\* Referring to the public lighting efficiency measures

\*\* Referring to natural gas savings related to the replacement of the boiler in the Dolomiti Ambiente changing rooms in Via Tangenziale Ovest in Trento

\*\*\* Referring to savings for the following interventions: replacement of the cooling unit at the HDE headquarters in Viale Trieste in Trento, replacement of the heat pump at the IRIS apartment building in Via Muredei in Trento and in the REMI substations in Ala, Grigno, Villa Agnedo, Trento nord, Borgo Valsugana and Campregheri

The initiatives undertaken in 2021 to reduce energy consumption included:

- reduction of grid losses in order to reduce energy consumption;
- energy efficiency work on air conditioning systems in the Trento headquarters;
- replacement of public lighting fixtures with LED technology in the municipalities of Brentonico, Busso-lengo, Dro, Mori, Rovereto, Val di Zoldo and Volano;
- energy efficiency measures for the production of hot water at the Dolomiti Ambiente headquarters;
- renovation of the heating system in a condominium in Trento;
- energy efficiency work on some natural gas reduction cabins.

# Atmospheric releases

The Dolomiti Energia Group produces electricity essentially from renewable sources (hydroelectric and photovoltaic generation). Only two of the Dolomiti Energia Group companies emit CO<sub>2</sub> to produce energy: Novareti in its cogeneration plants and Dolomiti Energia Holding, as 5% owner of the thermoelectric power plant supplied with natural gas at Ponti sul Mincio.

Other Scope 1 emissions are generated by leaks of SF<sub>6</sub> (sulphur hexafluoride). SF<sub>6</sub> gas is used as insulation for certain electrical devices, as it allows to have limited dimensions and increased safety. Part of the gas present in the infrastructures is dispersed into the atmosphere through gaskets or in certain cases during operations to restore pressure. SF<sub>6</sub> is classed among greenhouse gases: the Group is committed to limiting SF<sub>6</sub> leaks by keeping them under control.

Starting in 2021, SET Distribuzione has also strengthened its work on secondary substation Medium Voltage circuit breakers by using an eco-efficient gas mixture capable of reducing the global warming potential (GWP) by 99.99% compared to SF<sub>6</sub>, and has also put power lines underground in forested areas in order to reduce service interruptions and decrease the need for maintenance operations such as periodic forest trimming.

Other emissions are generated from the use of company vehicles. In 2021, the Group continued its efforts to reduce emissions generated by the Group's mobility needs by using electric cars.

The European Union Emissions Trading System (EU ETS) is one of the instruments underpinning the EU's policy to combat climate change and reduce greenhouse gas emissions.

By the end of April each year, all companies participating in the EU ETS must surrender a certain amount of emission allowances to the scheme. This is calculated based on the tonnes of CO<sub>2</sub> emitted as a result of their production activities, net of emission allowances allocated free of charge to certain companies on the basis of harmonised allocation rules valid throughout Europe.

- For the year 2021, Novareti SpA has an obligation of approximately 9,718 allowances, generated by the operation of its cogeneration plant, and receives 4,407 allowances from the scheme;
- As owner of 5% of the Ponti sul Mincio (MN) power plant, for the year 2021 Dolomiti Energia Holding SpA has an obligation of approximately 19,098 allowances, of which 0 (zero) are allocated by the system.

Under service contacts with the companies mentioned above, Dolomiti Energia Trading is responsible for sourcing on the market the European Emission Allowances (EUAs) required by the two companies to meet their obligations, supplementing any allowances received free of charge by the system.

## Direct emissions of the organisation, by source (Scope1)\*\*

|                                    |                      | 2021             | 2020             | 2019*            |
|------------------------------------|----------------------|------------------|------------------|------------------|
| <b>FROM NON-RENEWABLE SOURCES</b>  | t. CO <sub>2</sub> e | <b>29,446.83</b> | <b>30,896.59</b> | <b>45,039.33</b> |
| Natural gas                        | t. CO <sub>2</sub> e | 29,178.41        | 30,593.19        | 43,509.27        |
| For heating                        | t. CO <sub>2</sub> e | 2,017.07         | 1,651.02         | 1,820.68         |
| Other (i.e., burned in own plants) | t. CO <sub>2</sub> e | 27,161.34        | 28,942.17        | 41,688.59        |
| Diesel                             | t. CO <sub>2</sub> e | 42.21***         | 72.56            | 62.26            |
| LPG                                | t. CO <sub>2</sub> e | 0.86             | 0.86             | 1.52             |
| SF6 (replenishments)               | t. CO <sub>2</sub> e | 223.67           | 228              | 1460.11          |
| Other (specify in notes field)     | t. CO <sub>2</sub> e | 1.69             | 1.98             | 6.17             |

\* In previous years, diesel, LPG and SF6 emissions are not included in the scope. The factors used to calculate the emissions were published by the Department for Environment, Food & Rural Affairs (DEFRA).

\*\* The data perimeter includes Dolomiti Ambiente, Dolomiti Energia Holding, Dolomiti Energia Solutions, Dolomiti Energia, Hydro Dolomiti Energia, Novareti, SET, DEE, Dolomiti GNL, Dolomiti Energia Hydro Power, Dolomiti Energia Trading.

\*\*\* Relating to emissions for heating and other uses

## Emissions of the corporate fleet (Scope 1)

|                                |                      | 2021            | 2020            | 2019            |
|--------------------------------|----------------------|-----------------|-----------------|-----------------|
| <b>AUTOMOBILES</b>             |                      | <b>646.53</b>   | <b>732.91</b>   | <b>791.84</b>   |
| Diesel                         | t. CO <sub>2</sub> e | 566.62          | 592.27          | 585.67          |
| Petrol                         | t. CO <sub>2</sub> e | 79.82           | 26.84           | 23.70           |
| Methane                        | t. CO <sub>2</sub> e | 0.09            | 113.80          | 182.47          |
| <b>VANS AND HEAVY VEHICLES</b> |                      | <b>2,952.6</b>  | <b>2,957.4</b>  | <b>2,990.5</b>  |
| Diesel                         | t. CO <sub>2</sub> e | 2,892.25        | 2,794.29        | 2,766.01        |
| Petrol                         | t. CO <sub>2</sub> e | 60.17           | 58.13           | 6.86            |
| Methane                        | t. CO <sub>2</sub> e | 0.04            | 104.96          | 217.63          |
| LPG                            | t. CO <sub>2</sub> e | 0.01            | 0               | 0               |
| <b>TOTAL</b>                   | t. CO <sub>2</sub> e | <b>3,599.00</b> | <b>3,690.29</b> | <b>3,782.35</b> |

During 2021, total diesel and petrol consumption for the company fleet increased slightly, while the consumption of natural gas vehicles decreased. With regard to cars, there has been a decrease in diesel consumption due to the shift to electric vehicles, and an increase in petrol consumption due to plug-in cars. By varying the quantities of different types of fuel, pollutant emissions have been reduced.

## Total emissions

|                    |                      | 2021             | 2020             | 2019             |
|--------------------|----------------------|------------------|------------------|------------------|
| Direct (Scope 1)   | t. CO <sub>2</sub> e | 33,045.83        | 34,586.88        | 48,821.69        |
| Indirect (Scope 2) | t. CO <sub>2</sub> e | 402              | 349.41           | 394.38           |
| <b>TOTAL</b>       | t. CO <sub>2</sub> e | <b>33,447.83</b> | <b>34,936.29</b> | <b>49,216.07</b> |

The extension in the reporting scope that led to inclusion of indirect emissions (scope 2) were published by the Department for Business, Energy & Industrial Strategy (BEIS) in 2021.

## Cogeneration NOX SOX, and other significant emissions, by weight \*

|   |    | 2021      | 2020      | 2019      |
|---|----|-----------|-----------|-----------|
| NOX   | kg | 21,026.00 | 34,188.00 | 48,662.00 |
| SOX   | kg | 0         | 0         | 0         |
| Persistent organic pollutants (POP)   | kg | 0         | 0         | 0         |
| Volatile organic compounds (VOC)  | kg | 0         | 0         | 0         |
| Hazardous atmospheric pollutants (HAP)  | kg | 0         | 0         | 0         |
| Particulate matter (PM)   | kg | 0         | 0         | 0         |
| Other standard categories of atmospheric emissions identified in relevant regulations | kg | 0         | 0         | 0         |

\* Data from the fume analysers and annual checks. The quantity of fumes produced is calculated based on the quantity of gas burned and based on its composition. Data perimeter includes Novareti's business. The NO<sub>x</sub>, SO<sub>x</sub>, and other significant atmospheric emissions have been reported, since they are monitored, for Novareti Cogenerazione; for all the other Dolomiti Energia Group companies they are estimated to have a low impact compared to those reported.

## Greenhouse gas emission intensity (GHG) \*\*

|                                   |                          | 2021          | 2020          | 2019          |
|-----------------------------------|--------------------------|---------------|---------------|---------------|
| Emissions                         | t. CO <sub>2</sub> e     | 33,447.83     | 34,936.29     | 49,245.90     |
| Gross energy production           | kWh                      | 3,513,514,000 | 3,991,210,000 | 3,630,500,000 |
| Intensity                         | t. CO <sub>2</sub> e/kWh | 0.0000095     | 0.0000088     | 0.000014      |
| Total number of employees         | no.                      | 1,418         | 1,434         | 1,362         |
| Intensity, by number of employees | t. CO <sub>2</sub> e/no  | 23.6          | 24.4          | 36.1          |

\*\* The data perimeter includes Dolomiti Ambiente, Dolomiti Energia Holding, Dolomiti Energia Solutions, Dolomiti Energia, Hydro Dolomiti Energia, Novareti, SET, DEE, Dolomiti GNL, Dolomiti Energia Hydro Power, Dolomiti Energia Trading.

## WHAT WE HAVE DONE FOR CLEANER AIR

|   |                      | 2021         | 2020         | 2019         |
|---|----------------------|--------------|--------------|--------------|
| Reduction of greenhouse gas emissions through renewable energy (hydroelectric) production | t. CO <sub>2</sub> e | 1,146,293.12 | 1,426,264.85 | 1,353,320.20 |
| Greenhouse gas emission reduction initiatives   | t. CO <sub>2</sub> e | 0            | 0            | N/A          |
| Initiatives to reduce greenhouse gas emissions EUA  | t. CO <sub>2</sub> e | 0            | 0            | N/A          |
| Conversion and retrofitting of equipment (lights, computer equipment, heating, etc.)      | t. CO <sub>2</sub> e | 76.80        | 20.93        | 3.70         |
| Change of fuel  | t. CO <sub>2</sub> e | 5.37         | 0            | 0            |

The table does not consider the reductions in CO<sub>2</sub> emissions and public lighting efficiency as they are traceable as 100% renewable in 2019 and 2020.

- SET Distribuzione is involved in initiatives to reduce network losses that indirectly also lead to a reduction in greenhouse gas emissions.
- The Group has continued to upgrade its vehicle park to lower consumption, limit emissions and increase both the quality of the service provided and the well-being of the workforce using them. It has also continued to introduce electric vehicles into the company's fleet of both cars and work vehicles.
- Conference call: the Group has adopted the widespread use of video conferencing tools, thus generating significant reductions in environmental impact due to the use of vehicles for trips and travel, in addition to costs and energy.
- In 2021, thanks to the use of remote work and innovative tools that have enabled the personnel to work remotely to carry out many activities, we were able to make an important contribution in terms of sustainability by reducing the carbon dioxide emitted.
- The commercial company offers its business clients the "100% CO<sub>2</sub> compensated" natural gas offer: a CO<sub>2</sub> compensation project whereby anyone choosing this offer funds the distribution of efficient cooking stoves in certain rural communities in Southern Ethiopia to support people, besides the environment. This project is run in conjunction with Dolomiti Energia and in collaboration with COOPI, an Italian NGO. The stoves that have been distributed reduce wood consumption, the resulting CO<sub>2</sub> emissions, and the impact on the climate as well as the health risk caused by the inhalation of combustion fumes. Another project has built aqueducts serving thousands of people in Ethiopia. Another part of the funds will be used to build a run-of-the-river hydroelectric power plant, which will produce clean energy without any polluting emissions. The project generates CO<sub>2</sub> credits that give rise to internationally recognised certificates that ensure that the projects produce a real reduction in greenhouse gases.
- SET Distribuzione manages electrical equipment containing SF<sub>6</sub> - sulphur hexafluoride (electrical switches) in accordance with Italian Presidential Decree no. 146/2018, with registration in the fgas portal since 2013 (in accordance with the previous Presidential Decree) and with eight certified people from the High Voltage Unit for the activities of installation, repair, service and decommissioning, or recovery of gas from electrical switches.  
SET Distribuzione is committed to constantly monitoring anomalous spills of potentially environmentally harmful gases. In addition to monitoring, SET has for some years

been engaged in the analysis of state-of-the-art materials that do not contain SF6 or other polluting gases, and SF6-free switches were identified and tested in 2021. The revamping of odourisation plants in recent years ensures excellent safety levels and minimises the use of odouriser (in relative terms of mg introduced per standard cubic metre of gas distributed).

*For 2021, we offset CO<sub>2</sub> relating to a total consumption of 52.6 million cubic metres of our customers, corresponding to approximately 104,198 tonnes of CO<sub>2</sub> avoided.*

## Waste management

The Group handles its self-produced waste and the production waste that it generates within the context of its various activities through Dolomiti Ambiente and under a Group procedure (PG-GDE-051 "Self-produced waste"), in order to enable regular recovery or disposal of the waste without endangering the human health, ensuring a high level of environmental protection, and complying with the principles of Italian and provincial legislation.

For cogeneration, the production of waste is directly related to the maintenance activity of the plants.

For SET, the production of waste is linked to the maintenance of its networks and distribution plants. Most of SET's hazardous waste is made up of transformers, while its non-hazardous waste is water-based solutions.

For Novareti, water sector, the production of waste is directly linked to the maintenance activity of the networks and aqueduct systems. Most of its hazardous waste is batteries, while its non-hazardous waste is water-based solutions.

The waste produced by the specific activities of Dolomiti Ambiente are mainly due to the running and maintenance of vehicles engaged in the collection of urban waste and by the activities concerning maintenance of both the infrastructure and the container park. The waste is disposed at the authorised sites depending on the type of material, with preference granted where possible to recovery. The Dolomiti Ambiente processes in their turn generate waste, most of it non-hazardous. For Dolomiti Ambiente the hazardous waste is mainly constituted of vehicles and/or vehicle maintenance, while non-hazardous waste is aqueous liquid waste.

As hazardous waste, Dolomiti Energia Holding mainly produces chemical laboratory substances containing or made up of hazardous substances, including mixtures of chemical laboratory substances, while as non-hazardous waste it mainly produces packing wood and furnishing.

For Hydro Dolomiti Energia's activities, the quantities produced are highly variable from year to year as they essentially depend on the scheduling of ordinary and extraordinary maintenance activities. Since

the waste does not come directly from the production cycle, but from maintenance activities or the need to renew used oil, it is difficult to achieve a reduction in the quantities produced. In any case, possible further recovery opportunities are being sought.

The Group's commitment to reducing the environmental impact of waste starts with environmentally friendly and compliant management of waste throughout its life cycle. Only a residual part of the self-generated waste goes to landfill and therefore has an environmental impact. A large part of the waste is destined for treatment chains that allow for sustainable processing. Electronic archiving, the use of certified e-mail and the dematerialisation of documents are used to reduce paper consumption and consequently waste. To limit the impact of the paper consumed, paper from certified and CO<sub>2</sub>-neutral supply chains is purchased wherever possible. Containers for separate waste collection are provided at each location. In addition, before being handed over to authorised entities for disposal or recovery, waste is temporarily stored in specially equipped areas within the facilities, in accordance with the time-frames and quantities laid down by legislation. These areas are also chosen to have the least possible visual impact on the external environment. Waste is stored in a controlled manner, preventing any risk to individuals and the environment; in particular, the separation of hazardous waste from non-hazardous waste is ensured, and liquid spillage and the dispersion of dust or emission of harmful vapours is prevented.

## Waste produced by composition

|   |          | 2021           |                                 |                             |
|---|----------|----------------|---------------------------------|-----------------------------|
|   |          | Waste produced | Waste not destined for disposal | Waste destined for disposal |
| <b>HAZARDOUS WASTE</b>  |          |                |                                 |                             |
| Waste from electrical and electrical and electronic equipment | t        | 61.8           | 61.1                            | 0.7                         |
| Batteries and accumulators                                    | t        | 77.6           | 77.6                            | 0                           |
| CABLES  | t        | 1.1            | 1.1                             | 0                           |
| Fluorescent lighting  | t        | 1.0            | 1.0                             | 0                           |
| Packaging that contained hazardous substances                 | t        | 3.9            | 3.9                             | 0                           |
| Absorbents and filtering materials                            | t        | 11.1           | 11.1                            | 0                           |
| Mineral/synthetic oils  | t        | 63.8           | 63.8                            | 0                           |
| Chemicals   | t        | 1.5            | 1.4                             | 0.1                         |
| Other   | t        | 47.6           | 29.8                            | 17.8                        |
| <b>TOTAL</b>  | <b>t</b> | <b>269.4</b>   | <b>250.8</b>                    | <b>18.6</b>                 |
| <b>NON-HAZARDOUS WASTE</b>                                    |          |                |                                 |                             |
| Plastics  | t        | 63.9           | 63.9                            | 0                           |
| Wood  | t        | 18.9           | 18.9                            | 0                           |
| Mixed packaging   | t        | 4.6            | 4.6                             | 0                           |
| Metal   | t        | 161.6          | 161.6                           | 0                           |
| Organic waste   | t        | 2,196.7        | 2,196.7                         | 0                           |
| Sewage sludge   | t        | 111.3          | 0                               | 111.3                       |
| End-use electrical and electronic equipment                   | t        | 55.9           | 55.9                            | 0                           |
| Other   | t        | 1,850          | 389                             | 1,461                       |
| <b>TOTAL</b>  | <b>t</b> | <b>4,462.9</b> | <b>2,890.6</b>                  | <b>1,572.3</b>              |
| <b>TOTAL WASTE</b>  | <b>t</b> | <b>4,732.3</b> | <b>3,141.4</b>                  | <b>1,590.9</b>              |

Group procedure PG-GDE-051 applies to all the activities of Dolomiti Energia Holding, Dolomiti Ambiente, Novareti, SET Distribuzione, Dolomiti Energia Solutions, Hydro Dolomiti Energia, Dolomiti Edison Energy and Dolomiti Energia that produce waste.

The procedure does not apply to the public collection service conducted by Dolomiti Ambiente or to the sewage and ecological plant service carried out by Novareti

## Self-produced waste not destined for disposal by type of recovery operation

|  |          | 2021     |                     |                |
|--|----------|----------|---------------------|----------------|
|  |          | In situ  | At an external site | Total          |
| <b>HAZARDOUS WASTE</b>   |          |          |                     |                |
| Recovery/Preparation for reuse                                 | t        | 0        | 0                   | 0              |
| Recycling  | t        | 0        | 0                   | 0              |
| -Metal   | t        | 0        | 0                   | 0              |
| Other recovery operations*                                     | t        | 0        | 183.8               | 183.8          |
| -Waste from electrical and electrical and electronic equipment | t        | 0        | 61.1                | 61.1           |
| -Batteries and accumulators                                    | t        | 0        | 10.6                | 10.6           |
| -Cables  | t        | 0        | 1.1                 | 1.1            |
| -Fluorescent lighting  | t        | 0        | 1.0                 | 1.0            |
| -Packaging that contained hazardous substances                 | t        | 0        | 3.9                 | 3.9            |
| -Absorbents and filtering materials                            | t        | 0        | 11.1                | 11.1           |
| -Mineral/synthetic oils  | t        | 0        | 63.8                | 63.8           |
| -Other   | t        | 0        | 29.8                | 29.8           |
| -Chemicals   | t        | 0        | 1.4                 | 1.4            |
| <b>TOTAL</b>   | <b>t</b> | <b>0</b> | <b>183.8</b>        | <b>183.8</b>   |
| <b>NON-HAZARDOUS WASTE</b>                                     |          |          |                     |                |
| Recovery/Preparation for reuse                                 | t        | 0        | 0                   | 0              |
| Recycling  | t        | 0        | 0                   | 0              |
| Other recovery operations*                                     | t        | 0        | 2,682.5             | 2,682.5        |
| -Plastics  | t        | 0        | 63.9                | 63.9           |
| -Wood  | t        | 0        | 18.9                | 18.9           |
| -Mixed packaging   | t        | 0        | 4.6                 | 4.6            |
| -Metal   | t        | 0        | 161.6               | 161.6          |
| -Organic waste   | t        | 0        | 2,196.7             | 2,196.7        |
| -Sewage sludge   | t        | 0        | 0                   | 0              |
| -End-use electrical and electronic equipment                   | t        | 0        | 56.1                | 56.1           |
| -Other   | t        | 0        | 180.8               | 180.8          |
| <b>TOTAL</b>   | <b>t</b> | <b>0</b> | <b>2,682.6</b>      | <b>2,682.6</b> |
| <b>TOTAL WASTE</b>   | <b>t</b> | <b>0</b> | <b>2,866.4</b>      | <b>2,866.4</b> |

Group procedure PG-GDE-051 applies to all the activities of Dolomiti Energia Holding, Dolomiti Ambiente, Novareti, SET Distribuzione, Dolomiti Energia Solutions, Hydro Dolomiti Energia, Dolomiti Edison Energy and Dolomiti Energia that produce waste.

The procedure does not apply to the public collection service conducted by Dolomiti Ambiente or to the sewage and ecological plant service carried out by Novareti

\* Includes, for example, handover to suppliers accredited with the recycling chain

## Self-produced waste intended for disposal by disposal method

|  |          | 2021     |                     |                |
|--|----------|----------|---------------------|----------------|
|  |          | In situ  | At an external site | Total          |
| <b>HAZARDOUS WASTE</b>   |          |          |                     |                |
| Incineration (including energy recovery)                       | t        | 0        | 0                   | 0              |
| Incineration (without energy recovery)                         | t        | 0        | 0                   | 0              |
| Disposal at landfills  | t        | 0        | 0                   | 0              |
| Other disposal operations*                                     | t        | 0        | 21.2                | 21.2           |
| -Waste from electrical and electrical and electronic equipment | t        | 0        | 0                   | 0              |
| -Batteries and accumulators                                    | t        | 0        | 0                   | 0              |
| -Cables  | t        | 0        | 0                   | 0              |
| -Fluorescent lighting  | t        | 0        | 0                   | 0              |
| -Packaging that contained hazardous substances                 | t        | 0        | 0                   | 0              |
| -Absorbents and filtering materials                            | t        | 0        | 0                   | 0              |
| -Mineral/synthetic oils  | t        | 0        | 0.1                 | 0.1            |
| -Other   | t        | 0        | 21.1                | 21.1           |
| -Chemicals   | t        | 0        | 0                   | 0              |
| <b>TOTAL</b>   | <b>t</b> | <b>0</b> | <b>21.2</b>         | <b>21.2</b>    |
| <b>NON-HAZARDOUS WASTE</b>                                     |          |          |                     |                |
| Disposal at landfills  | t        | 0        | 22.9                | 22.9           |
| -Other   | t        | 0        | 22.9                | 22.9           |
| Other disposal operations*                                     | t        | 0        | 1,549.9             | 1,549.9        |
| -Plastics  | t        | 0        | 0                   | 0              |
| -Wood  | t        | 0        | 0                   | 0              |
| -Mixed packaging   | t        | 0        | 0                   | 0              |
| -Metal   | t        | 0        | 0                   | 0              |
| -Organic waste   | t        | 0        | 0                   | 0              |
| -Sewage sludge   | t        | 0        | 111.3               | 111.3          |
| -End-use electrical and electronic equipment                   | t        | 0        | 0.5                 | 0.5            |
| -Other   | t        | 0        | 1,438.1             | 1,438.1        |
| <b>TOTAL</b>   | <b>t</b> | <b>0</b> | <b>1,572.8</b>      | <b>1,572.8</b> |
| <b>TOTAL WASTE</b>   | <b>t</b> | <b>0</b> | <b>1,594</b>        | <b>1,594</b>   |

Group procedure PG-GDE-051 applies to all the activities of Dolomiti Energia Holding, Dolomiti Ambiente, Novareti, SET Distribuzione, Dolomiti Energia Solutions, Hydro Dolomiti Energia, Dolomiti Edison Energy and Dolomiti Energia that produce waste.

The procedure does not apply to the public collection service conducted by Dolomiti Ambiente or to the sewage and ecological plant service carried out by Novareti

\* This includes, for example, biological or physical-chemical treatment

## Self-produced residual waste at the sites

|                     |          | 2021             |                                 |                             |                |                                 |                             |
|---------------------|----------|------------------|---------------------------------|-----------------------------|----------------|---------------------------------|-----------------------------|
|                     |          | ROVERETO         |                                 |                             | TRENTO         |                                 |                             |
|                     |          | Waste produced   | Waste not intended for disposal | Waste intended for disposal | Waste produced | Waste not intended for disposal | Waste intended for disposal |
| Hazardous waste     | t        | 0                | 0                               | 0                           | 0              | 0                               | 0                           |
| Residual            | t        | 0                | 0                               | 0                           | 0              | 0                               | 0                           |
| <b>TOTAL</b>        | <b>t</b> | <b>0</b>         | <b>0</b>                        | <b>0</b>                    | <b>0</b>       | <b>0</b>                        | <b>0</b>                    |
| Non-hazardous waste | t        | 0                | 0                               | 0                           | 0              | 0                               | 0                           |
| Residual            | t        | 125,550.0        | 0                               | 125,550.0                   | 200,140        | 0                               | 200,140                     |
| <b>TOTAL</b>        | <b>t</b> | <b>125,550.0</b> | <b>0</b>                        | <b>125,550.0</b>            | <b>200,140</b> | <b>0</b>                        | <b>200,140</b>              |
| <b>TOTAL WASTE</b>  | <b>t</b> | <b>125,550.0</b> | <b>0</b>                        | <b>125,550.0</b>            | <b>200,140</b> | <b>0</b>                        | <b>200,140</b>              |

The table considers the residual waste produced at the two main sites at Via Manzoni in Rovereto and at Via Fersina in Trento.

# Preservation of natural resources and biodiversity

## WHAT WE HAVE DONE TO PROTECT NATURAL CAPITAL

- The cleaning of vehicles used for municipal sanitation is done exclusively with water, without the addition of chemical additives or detergents in order to be able to return the water to the environment without the addition of pollutants.
- For materials that support the municipal sanitation activities (containers, tubs, composters and bags), we try, where possible, to choose materials that have been produced with a percentage of recovered materials.
- The circular economy initiatives in company canteens were confirmed in 2021: the initiative aimed at limiting the waste of raw materials and adopting plastic-free and paper-free policies saw as its first actions the recovery of undistributed meals, the elimination of disposable paper placemats and the adoption of free-beverage arrangements in internal canteens, but also the possibility for individual users to take away their extra food.
- Thanks to Dolomiti Ambiente, the recovery of used cooking oil has continued.
- The commitment to guarantee citizens, even during the most severe phase of the pandemic, maximum accessibility to material collection centres has also continued.
- Dolomiti Ambiente has maintained the offer of its online services by means of the branch accessible 24 hours a day for all contractual operations, bookings for the collection of bulky items and verification of the number of emptyings of the residual fraction recorded.
- Citizen awareness initiatives have continued - starting with the delivery of the annual supply of bags - on light packaging and differentiated waste collection to stimulate improvement in the quality of this type of waste, where there is still a significant amount of "non-compliant material", i.e., material that cannot be recovered (including through the adoption of customised bags with a unique alphanumeric code so as to detect any errors in disposal and be able to promptly make citizens aware of the correct methods to adopt).
- Environmental certification: for many of its production plants, the Group has been granted EMAS (ECO Management and Audit Scheme) recognition and consolidated over time, the European certification that assesses the performance and the environmental management system of production plants. In order to be granted this certification, it is necessary to prove that one's management system supervises the effects of its activities on the outside environment (ISO 14001 standard) and that a policy has been adopted that aims towards continuous improvement of environmental performances, compared to the goals set in each instance.
- As a result of the overlapping activity between the mapping consistency of the Novareti Water Service and protected areas or areas with high biodiversity value carried out in 2020, several overlaps with the Water Service emerged. Risks related to any spillage of (potable) water and risks of pollution resulting from the handling of drinking water products are appropriately managed and mitigated, as the Water Service is

most concerned with protecting the relative areas to preserve the quality of groundwater and spring water. With regard to the Sewerage Service, short sections of pipes were placed underground as a result of the above-mentioned overlapping activities.

- Any spills of pollutants are always carefully monitored by the SET personnel and the area concerned is immediately analysed and requalified through works and excavations. Spills are mostly due to accidental damage from bad weather which damages structures such as Pole-Mounted Transformers and causes leaks of pollutant (insulating oil). There were two incidents of insignificant spills due to failures (a total of 22 litres of dielectric oil) in 2021.
- In order to reduce the likelihood of this type of accident, whether concerning the Pole-Mounted Transformers or the use of less polluting oils, SET has launched a project to identify its plants that could have a high-risk impact on the environment, particularly with regard to water pollution in the event of an accident. SET also analysed variables such as proximity to the water supply network or to watercourses or protected areas. During 2020 and 2021, the multi-year plan focused on mitigating these environmental pollution risks continued, and the extraordinary plan will be completed by 2022. It includes technical interventions such as moving the Pole-Mounted Transformers to a lower risk area, replacing them with a masonry cabin or replacing the oil currently contained in the transformers with vegetable oil.
- In February 2021, as part of the drying out for maintenance activities of the Biffis hydroelectric canal serving the Bussolengo and Chievo plants, Hydro Dolomiti Energia took steps to recover the fish fauna present along the entire canal between Ala and Chievo during the emptying of the canal. Carried out with the support of a company specialising in the sector and the Fishermen's Association of the Province of Verona, the activity made it possible to recover the fish present, preventing them from remaining in the empty canal, and then releasing them into the nearby Adige River.
- SET Distribuzione is committed to protecting biodiversity. We pay special attention to environmentally relevant areas, such as Special Protection Areas, Sites of Community Interest, Provincial Nature Reserves, Local Reserves, Biotopes and Special Areas of Conservation where the company has operations. Digitally mapping these areas enables SET to design its new plants minimising their environmental impact, for example by moving the plants outside the protected areas, choosing construction solutions or materials that are more suitable for the type of natural environment in which they will be located. A first action is to return sections of forest to the environment. Bare-conductor power lines require constant maintenance and targeted cleaning of the forest to reduce the probability of failure due to the presence of tall trees in the vicinity of the lines. Over the last seven years, many investments have been made that have led to the restitution of 178 hectares of wooded sections to the territory, the equivalent of the area of 268 football pitches, with a further 17 hectares returned in 2021.

## SET DISTRIBUZIONE TOGETHER WITH SIEMENS ENERGY TRANSFORMERS AND NYNAS FOR AN INCREASINGLY SUSTAINABLE DISTRIBUTION GRID

Careful market research continues to find construction solutions and materials that significantly reduce the risk of incurring environmental damage following accidents. This is the case of a power transformer installed in 2021 in an area on the edge of the Adamello-Brenta Nature Park, serving the Nembia Primary Cabin. A new type of biodegradable and recyclable oil (NYTRO® BIO 300X) was used for this transformer, which is being installed for the first time in Italy by SET Distribuzione in cooperation with SIEMENS Energy Transformers and Nynas. The organic-based oil used is obtained without the use of food crops and represents a new generation of insulating fluids to replace traditional fossil mineral oils. This innovation can be extended in the coming years to other new plants planned as part of the broader programme to upgrade the electricity distribution service. Experimenting with this new green oil on transformers of this size will make it possible to take a step forward in terms of efficiency and innovation, improving technical performance but also better protecting the ecosystem that surrounds plants in valuable natural areas. Financed with SET Distribuzione's resources, the experiment is a further step in the sustainability process undertaken by the company to provide a service such as electricity distribution, which is essential for everyday life, with a lower environmental impact. Biodegradable and recyclable oil is also used as standard in the transformers in secondary medium-voltage substations. Approximately 30 transformers with a natural, biodegradable and recyclable cooling type were installed in 2021.

## EFFICIENT AND SUSTAINABLE USE OF WATER

Some facilities owned or operated by HDE are located at high altitudes or in areas of naturalistic value such as national or natural parks, biotopes, and river parks. The hydroelectric activity coexists with these conditions and is compliant with applicable regulations. The Malga Mare and Cogolo plants are located within the Stelvio National Park. The Nembia and S. Massenza plants are part of the Adamello-Brenta Natural Park. Moreover, also the Boazzo, Cimego, La Rocca, S. Massenza, Toblino, Fies, Dro, Torbole, San Floriano, Carzano, Costa Brunella, Grigno, Val Noana and Pradastua plants are part of protected areas (e.g., biotope of Toblino lakes, "Marocche" of Dro, etc.). The plants in Ala, Bussolengo and Chievo partially affect areas classified as SIC (Sites of Community Interest).

The San Floriano hydroelectric plant partially falls within the Monte Corno Natural Park.

Hydroelectric plants produce eco-compatible energy without emitting pollutants and with a low environmental impact because they use a renewable resource: water. Furthermore, the water used for hydroelectric energy production is not consumed, it is just used during the production process and then released without having been changed in any way.

The water used for hydro-electrical production is collected mainly from rivers and lakes while guaranteeing the minimum vital runoff and the uses of the resource by the lands downstream. Since 2000, in order to balance production and environmental requirements, the Group's hydroelectric power plants must ensure a "minimum vital runoff" for the waterways used for production. A constant amount of water, or a seasonally modulated amount where required, is released downstream of the water collection point in order to safeguard the water flora and fauna and the continuity of the waterway's environment. The hydroelectric power

plants and the reservoirs are managed by optimising the resource depending on the variable weather patterns.

The water used for hydroelectric production by HDE, DEE, SF Energy and DEH in 2021 amounted to 17,965,907 (1,000 m<sup>3</sup>) and was returned to the environment clean and with no significant change both in temperature and composition, thus ensuring continuity to the aquatic environment.

The assessment of the quality of the Trento region's waterways, in compliance with the European directive on waters, is entrusted to the Water Protection Plan. This plan is an excerpt of the General Plan for the Use of Public Waters. The main document is a map classifying rivers and lakes based on the conservation state of the natural conditions of the associated ecosystem. Analysis of the data in the map shows that the hydroelectric usage associated with the Group's plants is not particularly critical for the waterways involved.

In the various areas it serves, the Group promotes projects to safeguard the natural ecosystems, and for years has developed a constructive collaboration with the Associations of Trentino Fishermen to develop projects and initiatives designed to preserve and replenish public fish stock.

## Water withdrawal

|   |                            | 2021                 |   | 2020                 |   | 2019                 |   |
|---|----------------------------|----------------------|---|----------------------|---|----------------------|---|
|   |                            | All areas            | Of which in areas subject to potential water stress | All areas            | Of which in areas subject to potential water stress | All areas            | Of which in areas subject to potential water stress |
| <b>SURFACE WATER (TOT)</b>              | <b>1,000 m<sup>3</sup></b> | <b>17,965,907.70</b> | <b>0</b>  | <b>19,009,674.45</b> | <b>0</b>  | <b>16,847,005.65</b> | <b>0</b>  |
| ≤1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 17,965,907.70        | 0   | 19,009,674.45        | 0   | 16,847,005.65        | 0   |
| >1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 0                    | 0   | 0                    | 0   | 0                    | 0   |
| <b>UNDERGROUND WATER</b>                | <b>1,000 m<sup>3</sup></b> | <b>31,857.90</b>     | <b>0</b>  | <b>30,649.12</b>     | <b>0</b>  | <b>30,834.84</b>     | <b>0</b>  |
| ≤1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 31,857.90            | 0   | 30,649.12            | 0   | 30,834.84            | 0   |
| >1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 0                    | 0   | 0                    | 0   | 0                    | 0   |
| <b>SEAWATER (TOT.)</b>                  | <b>1,000 m<sup>3</sup></b> | <b>0</b>             | <b>0</b>  | <b>0</b>             | <b>0</b>  | <b>0</b>             | <b>0</b>  |
| ≤1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 0                    | 0   | 0                    | 0   | 0                    | 0   |
| >1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 0                    | 0   | 0                    | 0   | 0                    | 0   |
| <b>PROCESS WATER (TOT)</b>              | <b>1,000 m<sup>3</sup></b> | <b>9.78</b>          | <b>0</b>  | <b>5,168.63</b>      | <b>0</b>  | <b>7,394.01</b>      | <b>0</b>  |
| ≤1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 0                    | 0   | 5,161.48             | 0   | 4,571.01             | 0   |
| >1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 9.78                 | 0   | 7.15                 | 0   | 2,823.00             | 0   |
| <b>WATER FROM SUPPLY SERVICES (TOT)</b> | <b>1,000 m<sup>3</sup></b> | <b>39.32</b>         | <b>0</b>  | <b>56.66</b>         | <b>0</b>  | <b>26,245.02</b>     | <b>0</b>  |
| ≤1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 32.37                | 0   | 34.31                | 0   | 36.02                | 0   |
| >1.000 mg/L total dissolved solids      | 1,000 m <sup>3</sup>       | 6.95                 | 0   | 22.35                | 0   | 26,209.00            | 0   |
| <b>TOTAL WATER WITHDRAWAL</b>           | <b>1,000 m<sup>3</sup></b> | <b>17,997,814.70</b> | <b>0</b>  | <b>19,045,548.86</b> | <b>0</b>  | <b>16,911,479.52</b> | <b>0</b>  |

Thanks to an improvement of our reporting system, data on water withdrawals and discharges have been reported per the GRI 303 standard: the 2018 version of Water and Water Discharges, which is mandatory for reports from January 2021, but for which the Global Reporting Initiative encourages early adoption. In addition, note that the reporting on water discharges in GRI 306: Effluents and Waste 2016 (Disclosure 306-1) has been updated and can be found in GRI 303: Water and effluents 2018

\* With regard to DEE, the Via Fersina and Via Manzoni sites, Dolomiti Ambiente withdrawals and Novareti cogeneration

## Effluents

|  |            | 2021             | 2020             |
|--|------------|------------------|------------------|
| <b>EFFLUENTS BY DESTINATION</b>  |            |                  |                  |
| <b>TOTAL EFFLUENTS</b>   | Megalitres | <b>23,097.09</b> | <b>22,800.06</b> |
| Of which surface water   | Megalitres | 5.86             | 3.52             |
| Of which groundwater   | Megalitres | 0                | 0                |
| Of which in seawaters  | Megalitres | 0                | 0                |
| Of which in sewers   | Megalitres | 23,091.22        | 22,796.54        |
| Other  | Megalitres | 0                | 0                |
| <b>EFFLUENTS BY TYPE</b>   |            |                  |                  |
| <b>TOTAL EFFLUENTS</b>   | Megalitres | <b>23,097.09</b> | <b>22,773.40</b> |
| Fresh water ( $\leq 1.000$ mg/L total dissolved solids)                  | Megalitres | 0                | 0                |
| Other water ( $> 1.000$ mg/L total dissolved solids)                     | Megalitres | 23,097.09        | 22,773.40        |
| <b>TOTAL EFFLUENTS IN THE AREAS SUBJECT TO WATER STRESS, BY CATEGORY</b> |            |                  |                  |
| <b>TOTAL EFFLUENTS</b>   | Megalitres | <b>0</b>         | <b>0</b>         |
| Fresh water ( $\leq 1.000$ mg/L total dissolved solids)                  | Megalitres | 0                | 0                |
| Other water ( $> 1.000$ mg/L total dissolved solids)                     | Megalitres | 0                | 0                |
| Total effluents in areas subject to water stress, by treatment level     |            | 0                | 0                |
| Treatment level  | Megalitres | 0                | 0                |
| Primary treatment  | Megalitres | 0                | 0                |
| Secondary treatment  | Megalitres | 0                | 0                |
| Tertiary treatment   | Megalitres | 0                | 0                |

The management of the water cycle in the Dolomiti Energia Group is based on three closely interconnected management tools: cartography, numerical modelling and remote control. In order to manage water resources optimally, an active approach is needed to regulate the state of the network according to consumption. Ordinary activities are planned to optimise internal resources, while extraordinary activities are validated by hydraulic analyses carried out using numerical simulators.

Novareti has three teams permanently employed in monitoring and searching for hidden network leaks. Their work is guided by the minimum night-time consumption analysis models active in the various hydraulic districts of the network: these districts are constantly being improved and new automatic tools are being tested to carry out increasingly advanced multicriteria analyses. This increased efficiency also reduces the volume of water fed into the network.

This has led to a further decline in water losses, which are falling by around 0.5% each year and are currently below 15%. The work to replace the network, the creation of new districts and the automatic management of pressures will allow further drops in the water drawn from the source, while keeping consumption to users unchanged.

All the waters used in Dolomiti Ambiente's production process are taken from the water supply and used to wash vehicles used for waste collection and waste storage platforms, and to supply the restrooms, inclusive of showers. Any waters that are potentially polluted are sent to a biological purification plant owned by the

company and located inside the same area where production takes place and where the waters are put back into the environment. After treatment, the wastewater is delivered back into the drainage system in the Trento area. At the Rovereto site, water used for washing is collected in a watertight tank and periodically pumped out to be delivered to treatment plants. Dolomiti Ambiente takes great care to monitor and optimise the processing of wastewater and to safeguard the quality of the water and the of the environment into which it is reintroduced.

## WHAT WE HAVE DONE TO REDUCE WATER CONSUMPTION

- The APC Project continued in 2021, based on an advanced real-time water network management system which makes it possible to optimise network pressure, reduce leaks, reduce electricity consumption and, in general, increase the efficiency of the water system. The system is managed by a controller coupled to a real-time model, which assesses, in addition to the normal (real and virtual) water parameters of the pipeline, also external factors such as temperature, solar irradiation and the weather forecast: hence, use of the renewable energies obtained from dedicated solar plants is maximised, allowing to best exploit the management of tanks and pumping systems.
- New instruments for detecting hidden leaks are being tested continuously, both through virtual simulations and network sensors.
- Work continues for the optimisation of the management of water pipelines by means of advanced simulation and control instruments.
- With reference to the consumption of the Via Fersina and Via Manzoni offices, the well-established internal campaign continues to raise awareness among employees of the need to consciously use water resources. Water dispensers have been installed to supply drinking water and thus avoid the use of plastic bottles.

# Our people

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**127**

New hires  
in 2021  
(111 in 2020)

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**21.4%**

women  
employees  
(20.4% in 2020)

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**34.9%**

of employees  
are under 40  
(32.6% in 2020)

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**45.51 years**

average age of  
employees  
(45.75 in 2020)

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**96.5%**

of employees are  
on permanent  
contracts  
(96.7% in 2020)

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## Commitment towards its employees



The Dolomiti Energia Group is aware that the operation of the organisation and the achievement of its objectives depend on the vital contribution of all personnel.

As at 31 December 2021, the Group's total personnel amounted to 1,418 people. 54% of personnel are white collar workers, 40% are blue collar workers, 4% are managers and 1% are executives. 11% of staff are under 30 years of age, 24% are between 31 and 40 years of age, 25% are between 41 and 50 years of age and 40% are over 50 years of age.

The Dolomiti Energia Group believes that the collective sum of the uniqueness of each single person significantly contributes to its own reputation, and assigns value to the human capital in that it is fundamental for its existence. The Group therefore pays great attention to its human resources by creating and promoting a management climate capable of motivating, acknowledging and gratifying the contribution at both team and individual level.

The Dolomiti Energia Group acknowledges the need to protect individual freedoms in all their forms and rejects all displays of violence, especially if designed to limit personal freedoms, as well as any form of violation of the dignity of the individual. The Group is committed to promoting the sharing of these same principles both within its own activities and primarily among its employees, collaborators, suppliers and partners. The employees who believe they have been discriminated against can refer the incident to the Supervisory Body and/or to its line manager who shall take steps to verify the actual infringement of the Code of Conduct.

The Dolomiti Energia Group opposes all forms of mobbing whether horizontal or vertical within its organisation and has established that relations between employees, at all levels, should be based on criteria of correctness, collaboration, loyalty and mutual respect. It is also committed to protecting the privacy of its employees according to current legislation, undertaking not to communicate or disseminate personal data without the interested party's consent, except when required by law.

The acquisition, processing and storage of such information is carried out according to specific procedures designed to prevent unauthorised third parties from gaining knowledge of it. In order to facilitate the collection of reports from employees or external third parties, regarding any offences or conduct that goes against the company rules, the Dolomiti Energia Group has implemented various collection channels:

- e-mail of the Group Corruption Prevention Manager published on the company's website where any illegal conduct may be reported;
- e-mail of the Supervisory Body of each Group company where any illegal conduct may be reported;
- a format on the company website which enables the forwarding of reports to the Group Corruption Prevention Manager without using one's own e-mail and also in anonymous form;

- a box for the collection of hard copy reports, on the main company premises, that are managed directly by the Corruption Prevention Officer;
- confidential computerised channel accessible from the website of the Dolomiti Energia Group and of each of the Group's subsidiaries.

Other reports from other channels that are in any case addressed to the company premises, e-mail or official postal addresses are also assessed.

During the year, we received a few reports concerning working practices that the Company has taken on board through the various departments. None concerned any events of corruption.

To properly apply internal procedures, regular audits are performed both by the Internal Audit department and by the Quality Safety Environment department.

Following last year's survey on organisational well-being, despite the considerable difficulties caused by the ongoing pandemic, an attempt was made to follow up on some of the actions included in the Risk Assessment Document, postponing those that could not be carried out due to the restrictions resulting from the situation mentioned above, in the knowledge that a reduction, even if less than desirable, in certain risk factors contributes to improving company well-being.

The "Listening Desk", a service run by external medical specialists available to support and guide workers affected by conditions of discomfort or malaise arising from work and/or personal issues, was kept active in 2021. The commercial company is continuing the development of the initiatives foreseen by the Family Audit plan of action and certification process.

The project on in-company mobility and home-work commuting is progressing.

In this regard, a Mobility Manager was appointed for the first time and a study on the accessibility of the Trento (via Fersina and Tangenziale Ovest) and Rovereto via Manzoni sites was launched in 2021.

In addition, an ad hoc survey on employees' travel habits and willingness to change was carried out.

The results of the study will be used to draw up home-work travel plans (HWTPs) for 2022.

In this context, the Group has started to develop a Sustainable Mobility Plan compatible with the current emergency situation, introducing some initiatives aimed at renewing the car fleet in order to make the mobility of people inside and outside the company more efficient and convenient, in particular with regard to improving environmental impact.

A Group agreement was also formalised with the trade union representatives in December 2021 that includes remote working as a structured method of the work organisation model.

## MOVE-D: THE GROUP'S COMMITMENT TO SUSTAINABLE MOBILITY

*In 2021, the Group launched the new company car sharing pilot project "Move-D" for employees at the Trento (via Fersina 23 and Tangenziale Ovest of Dolomiti Ambiente) and Rovereto sites. The initiative involves company vehicles, offering employees the opportunity to optimise and rationalise their journeys. The vehicles can be booked and used thanks to the free ARVAL CAR SHARING app. After the initial test phase, the service will be progressively extended to all the Group's companies.*

## SELECTION POLICIES

The Group carries out selection processes which involve assessing the candidate's profile based on the requirements of each of the Group's companies, adopting impartial and unbiased assessment methods and complying with principles of objectivity, transparency and equal opportunity for all candidates and with the regulations governing employment contracts; during all stages of the selection process it is also assured that no discrimination shall take place based on race, religion and political opinions.

The final objective is to identify a short-list of candidates that meet the requirements, have the knowledge and the approach that best matches the profile outlined for each of the positions that need filling. The search for outside personnel is carried out via channels such as the Group's website, employment agencies and job centres. The Group also uses other tools that provide a very widespread dissemination of the information, safeguarding the principle of publicly disclosing the offer.

The Group hires and manages the personnel according to standard employment contracts, not allowing any form of employment that is not compliant or is elusive of current legislation. The Group undertakes to ensure that its suppliers and business partners also comply with this provision.

## PROTECTION OF HUMAN RIGHTS

The Dolomiti Energia Group is a responsible and ethical organisation, which agrees with the importance of full respect for internationally recognised human rights. This is why it has adopted a Policy dedicated to the issue of Human Rights, which integrates and broadens what has been already included in the Code of Conduct, the Anti-Corruption measures, the Organisation, Management and Control Model, the Integrated Quality, Environment, Health and Safety Management System and the Privacy Management System for the Protection of Personal Data.

To this end, the Group's commitment focuses on opposing the employment of minors, forced labour, harassment, discrimination and promotes the freedom of association, health and safety at the workplace, dignified working conditions, the protection of personal privacy and sustainable social development.

During the year, there were no relevant complaints on human rights and labour issues.

Any requests from individuals interested in privacy issues are handled by the Data Protection Officer as a matter of course.

During 2021, the Group maintained a high level of attention on measures to prevent and combat the spread of Covid-19 in the workplace through the study, constant updating, dissemination, and concrete implementation of safeguards such as corporate provisions, protective devices, coordination and reorganisation activities, communication, training and control of the measures implemented, aimed at ensuring business continuity in constant compliance with the rules and best practices to combat the spread of the virus.

## PROMOTING DIVERSITY AND INCLUSION

The Dolomiti Energia Group believes that the collective sum of the uniqueness of the single people represents a significant part of its own reputation and assigns value to the human capital in that it is fundamental for its existence.

The Group refuses discriminations and promotes a culture of diversity and inclusion, that respects the singular nature of the individual according to what is recognised and approved on an international level. For this reason, it has adopted a Policy dedicated to the issue of Diversity since 2017, which supplements and deepens what is already established by the Code of Conduct and the Organisation, Management and Control Model.

Thus the Group's commitment recognises the value of being able to offer non-discriminatory conditions, equal opportunity, the inclusion of people and tools so that they may reconcile work and private life in the best possible way, including flexible working hours which enable most employees to carry out their work within a time frame that guarantees a certain daily flexibility on entrance and exit and for other types of contract a multi-period or part-time flexibility, a tool which employees can rely on in order to find precious and useful time to reconcile work and private life. The introduction of remote working has also been a measure aimed at limiting the spread of the pandemic, as well as an additional element of flexibility in balancing professional and family needs.

In 2021, 95 workers belonged to protected categories (48 in 2020, of which 31 were men and 17 women). Of these, 67 are men and 28 are women.

The Group participated in working groups during the year to pursue, together with other Italian multi-utilities, its commitment to encouraging the inclusion of diversity in terms of gender, age, culture and ability within company policies, as formalised in the "PATTO UTILITALIA - La Diversità fa la differenza" (Italy Utilities Pact - Diversity makes the difference).

## PERSONNEL COMPOSITION

*(In view of the geographical distribution of the Group's corporate headquarters, it was decided not to aggregate the data by geographical area); the 2020 data are not comparable with previous years as the reporting scope has changed.*

## Employees by age group and gender

|               | 2021         |                     |            | 2020         |                     |            | 2019         |                     |            |
|---------------|--------------|---------------------|------------|--------------|---------------------|------------|--------------|---------------------|------------|
|               | NO.          | MEN                 | WOMEN      | NO.          | MEN                 | WOMEN      | NO.          | MEN                 | WOMEN      |
| < 30 years    | 151          | of which 83%        | 18%        | 146          | of which 69%        | 31%        | 137          | of which 77%        | 23%        |
| 31 - 40 years | 344          | of which 70%        | 30%        | 322          | of which 68%        | 32%        | 276          | of which 67%        | 33%        |
| 41 - 50 years | 358          | of which 72%        | 28%        | 376          | of which 74%        | 26%        | 374          | of which 74%        | 26%        |
| >50           | 565          | of which 86%        | 14%        | 590          | of which 87%        | 13%        | 575          | of which 88%        | 12%        |
| <b>TOTAL</b>  | <b>1,418</b> | <b>of which 79%</b> | <b>21%</b> | <b>1,434</b> | <b>of which 79%</b> | <b>21%</b> | <b>1,362</b> | <b>of which 79%</b> | <b>21%</b> |

## Employees by contractual category and gender

|              | 2021         |                     |            | 2020         |                     |            | 2019         |                     |            |
|--------------|--------------|---------------------|------------|--------------|---------------------|------------|--------------|---------------------|------------|
|              | NO.          | MEN                 | WOMEN      | NO.          | MEN                 | WOMEN      | NO.          | MEN                 | WOMEN      |
| Executives   | 19           | of which 79%        | 21%        | 19           | of which 84%        | 16%        | 17           | of which 88%        | 12%        |
| Managers     | 58           | of which 81%        | 19%        | 54           | of which 82%        | 18%        | 51           | of which 82%        | 18%        |
| Employees    | 768          | of which 63%        | 37%        | 758          | of which 63%        | 37%        | 713          | of which 62%        | 38%        |
| Workers      | 573          | of which 99%        | 1%         | 603          | of which 99%        | 1%         | 581          | of which 99%        | 1%         |
| <b>TOTAL</b> | <b>1,418</b> | <b>of which 79%</b> | <b>21%</b> | <b>1,434</b> | <b>of which 79%</b> | <b>21%</b> | <b>1,362</b> | <b>of which 79%</b> | <b>21%</b> |

## Total number of employees by gender and contractual classification

|              | 2021         |            | 2020         |            | 2019         |            |
|--------------|--------------|------------|--------------|------------|--------------|------------|
|              | MEN          | WOMEN      | MEN          | WOMEN      | MEN          | WOMEN      |
| Executives   | 15           | 4          | 16           | 3          | 15           | 2          |
| Managers     | 47           | 11         | 44           | 10         | 42           | 9          |
| Employees    | 485          | 283        | 477          | 281        | 444          | 269        |
| Workers      | 567          | 6          | 597          | 6          | 575          | 6          |
| <b>TOTAL</b> | <b>1,114</b> | <b>304</b> | <b>1,134</b> | <b>300</b> | <b>1,076</b> | <b>286</b> |

## Employees by classification, full-time or part-time status and gender

|                             | FULL TIME    |              |              | PART TIME  |            |            |
|-----------------------------|--------------|--------------|--------------|------------|------------|------------|
|                             | 2021         | 2020         | 2019         | 2021       | 2020       | 2019       |
| <b>TOTAL</b>                | <b>1,272</b> | <b>1,307</b> | <b>1,234</b> | <b>146</b> | <b>127</b> | <b>128</b> |
| <b>OF WHICH MEN TOTAL</b>   | <b>1,082</b> | <b>1,119</b> | <b>1,055</b> | <b>32</b>  | <b>15</b>  | <b>21</b>  |
| Executives                  | 15           | 16           | 15           | 0          | 0          | 0          |
| Managers                    | 47           | 44           | 42           | 0          | 0          | 0          |
| Employees                   | 475          | 468          | 431          | 10         | 9          | 13         |
| Blue collar workers         | 545          | 591          | 567          | 22         | 6          | 8          |
| <b>OF WHICH WOMEN TOTAL</b> | <b>190</b>   | <b>188</b>   | <b>179</b>   | <b>114</b> | <b>112</b> | <b>107</b> |
| Executives                  | 4            | 3            | 2            | 0          | 0          | 0          |
| Managers                    | 10           | 9            | 8            | 1          | 1          | 1          |
| White collar workers        | 170          | 170          | 163          | 113        | 111        | 106        |
| Blue collar workers         | 6            | 6            | 6            | 0          | 0          | 0          |

## Employees by classification and gender on permanent contracts

|                             | 2021         | 2020         | 2019         |
|-----------------------------|--------------|--------------|--------------|
| <b>TOTAL</b>                | <b>1,368</b> | <b>1,386</b> | <b>1,320</b> |
| <b>OF WHICH MEN TOTAL</b>   | <b>1,080</b> | <b>1,103</b> | <b>1,054</b> |
| Executives                  | 14           | 15           | 14           |
| Managers                    | 47           | 44           | 42           |
| White collar workers        | 471          | 464          | 432          |
| Blue collar workers         | 548          | 580          | 566          |
| <b>OF WHICH WOMEN TOTAL</b> | <b>288</b>   | <b>283</b>   | <b>266</b>   |
| Executives                  | 4            | 3            | 2            |
| Managers                    | 11           | 10           | 9            |
| White collar workers        | 267          | 264          | 249          |
| Blue collar workers         | 6            | 6            | 6            |

## Number of employees, by contractual category and age

|                      | 2021       |            |            |            |             | 2020       |            |            |            |              | 2019       |            |            |            |              |
|----------------------|------------|------------|------------|------------|-------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|--------------|
|                      | < 30       | 31-40      | 41-50      | > 50       | TOTAL       | < 30       | 31-40      | 41-50      | > 50       | TOTAL        | < 30       | 31-40      | 41-50      | > 50       | TOTAL        |
| Executives           | 0          | 1          | 7          | 11         | 19          | 0          | 1          | 8          | 10         | 19           | 0          | 2          | 7          | 8          | 17           |
| Managers             | 0          | 6          | 24         | 28         | 58          | 0          | 5          | 22         | 27         | 54           | 0          | 4          | 19         | 28         | 51           |
| White collar workers | 83         | 221        | 191        | 273        | 768         | 77         | 202        | 196        | 283        | 758          | 75         | 174        | 192        | 272        | 713          |
| Blue collar workers  | 68         | 116        | 136        | 253        | 573         | 69         | 114        | 150        | 270        | 603          | 62         | 96         | 156        | 267        | 581          |
| <b>TOTAL</b>         | <b>151</b> | <b>344</b> | <b>358</b> | <b>565</b> | <b>1418</b> | <b>146</b> | <b>322</b> | <b>376</b> | <b>590</b> | <b>1,434</b> | <b>137</b> | <b>276</b> | <b>374</b> | <b>575</b> | <b>1,362</b> |

## Terminations by gender and age

|               | 2021      |           |           | 2020      |          |           | 2019      |           |           |
|---------------|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|
|               | MEN       | WOMEN     | TOTAL     | MEN       | WOMEN    | TOTAL     | MEN       | WOMEN     | TOTAL     |
| < 30 years    | 8         | 4         | 12        | 9         | 3        | 12        | 3         | 4         | 7         |
| 31 - 40 years | 9         | 4         | 13        | 3         | 3        | 6         | 4         | 10        | 14        |
| 41 - 50 years | 4         | 4         | 8         | 3         | 0        | 3         | 5         | 0         | 5         |
| >50           | 39        | 5         | 44        | 47        | 2        | 49        | 49        | 0         | 49        |
| <b>TOTAL</b>  | <b>60</b> | <b>17</b> | <b>77</b> | <b>62</b> | <b>8</b> | <b>70</b> | <b>61</b> | <b>14</b> | <b>75</b> |

## Hires by gender and age

|               | 2021       |           |            | 2020      |           |            | 2019      |           |           |
|---------------|------------|-----------|------------|-----------|-----------|------------|-----------|-----------|-----------|
|               | MEN        | WOMEN     | TOTAL      | MEN       | WOMEN     | TOTAL      | MEN       | WOMEN     | TOTAL     |
| < 30 years    | 41         | 10        | 51         | 37        | 7         | 44         | 24        | 18        | 42        |
| 31 - 40 years | 35         | 9         | 44         | 26        | 11        | 37         | 28        | 12        | 40        |
| 41 - 50 years | 19         | 8         | 27         | 19        | 4         | 23         | 4         | 8         | 12        |
| >50           | 5          | 0         | 5          | 7         | 0         | 7          | 5         | 0         | 5         |
| <b>TOTAL</b>  | <b>100</b> | <b>27</b> | <b>127</b> | <b>89</b> | <b>22</b> | <b>111</b> | <b>61</b> | <b>38</b> | <b>99</b> |

## Hiring rate by gender and age

|               | 2021        |             | 2020        |             | 2019        |              |
|---------------|-------------|-------------|-------------|-------------|-------------|--------------|
|               | MEN         | WOMEN       | MEN         | WOMEN       | MEN         | WOMEN        |
| < 30 years    | 32.8%       | 38.5%       | 30.3%       | 29.2%       | 22.6%       | 58.1%        |
| 31 - 40 years | 14.5%       | 8.8%        | 11.9%       | 10.7%       | 15.1%       | 13.2%        |
| 41 - 50 years | 7.3%        | 8.1%        | 6.8%        | 4.1%        | 1.4%        | 8.3%         |
| >50           | 1.0%        | 0           | 1.4%        | 0           | 1%          | 0            |
| <b>TOTAL</b>  | <b>8.9%</b> | <b>8.9%</b> | <b>7.8%</b> | <b>7.3%</b> | <b>5.7%</b> | <b>13.3%</b> |

## Termination rate by gender and age\*

|               | 2021        |             | 2020        |             | 2019        |             |
|---------------|-------------|-------------|-------------|-------------|-------------|-------------|
|               | MEN         | WOMEN       | MEN         | WOMEN       | MEN         | WOMEN       |
| < 30 years    | 6.4%        | 15.4%       | 7.4%        | 12.5%       | 2.8%        | 12.9%       |
| 31 - 40 years | 3.7%        | 3.9%        | 1.4%        | 2.9%        | 2.2%        | 11%         |
| 41 - 50 years | 1.5%        | 4.0%        | 1.1%        | 0           | 2.8%        | 0           |
| >50           | 8%          | 6.5%        | 9.1%        | 2.7%        | 9.7%        | 0           |
| <b>TOTAL</b>  | <b>5.4%</b> | <b>5.6%</b> | <b>5.5%</b> | <b>2.7%</b> | <b>5.7%</b> | <b>4.9%</b> |

\* Percentage of total employees by age group and gender as at 31 December.

## REMUNERATION

In defining the type of contract and remuneration, the Group scrupulously complies with Italian legislation, which rules out gender distinction in the remuneration relationship.

The Group's remuneration policy classifies all employees according to the national collective bargaining agreements. For all employees remuneration is structured around fixed and variable monetary components and includes a series of benefits to support income or easements (health and retirement insurance, exclusive offers exclusively reserved for employees on services managed by the Group and a series of benefits of various kinds).

The main tools used within the context of meritocratic policies, based on the qualifications and the employees' level, involve the application of deserved increases, one off payments, level changes and, depending on the qualification and position within the organisation, the application of additional accessory compensations.

Further, for the population of Executives and partly for Managers, a variable payment scheme is foreseen based on direct correlation with company performance and individual targets met ("MbO").

Variable remuneration is integrated within a collective incentive tool: the "performance bonus", based on a system of profitability and productivity/quality target indicators diversified according to the areas of activity, and designed to guarantee that all personnel contribute to the achievement of the company's objectives. The performance bonus is paid to all employees. Again in 2021, employees were given the opportunity of converting part of their "performance bonus" into provisions and services, in addition to existing contractual and corporate welfare contributions, for themselves or for their family members.

Furthermore, a Group corporate welfare package designed to increase employee welfare and that of family members is active. The initiatives and the services included concern health and health services, insurance and pensions, support for children's education and assistance, personal and welfare services for the benefit of the employee. The project foresees the introduction of a flexible welfare quota, which the employee can use on individual initiatives – for example the partial reimbursement of incurred expenses or the purchase of goods and services – chosen among the broad offer envisaged for each different sector. In addition, there is also the possibility of converting part of the performance bonus into additional hours of paid leave, the amount of which may be doubled by employees with permits under Law 104/09.

All (100%) of employees are covered by collective bargaining agreements: the employment relationship for all Group employees is governed by the CCNL (National Collective Bargaining Agreement), integrated by second level negotiations.

Generally speaking, the provisions applied to full time employees are also envisaged for employees on part time contracts, with wages revised based on the actual number of hours worked by the interested person.

As for short-term employees, the allocation of certain recognitions is dependent on the duration of the employment contract.

The benefits envisaged for employed personnel, besides the CCNL (National Collective Bargaining Agreements), also refer to second level negotiations. Generally speaking, benefits are foreseen for health assistance, additional pensions, recreational activities, canteens and restaurants offering special deals for company employees.

## Skills development and training

During the year, training involved most of the company's profiles. The situation due to the Coronavirus emergency affected the provision of face-to-face training courses in 2021 as well, particularly those related to safety, which could be resumed from the second half of the year. Constant importance is given to investing in workers' expertise and skills to provide an ever better service to customers. As in previous years, the legislative obligations and the ongoing commitment of the Dolomiti Energia Group in guaranteeing high standards in the performance of its working activities led to training on safety and refresher courses for the technical departments being the most significant initiatives in terms of training hours provided. Most of the training initiatives concerned safety issues and the topic of development and maintenance of skills in specialist technical areas. Education and training on occupational health and safety has always played a fundamental role in the cultural growth of employees and its implementation is the subject of specific annual plans.

Training activities were affected by the restrictions resulting from the pandemic in 2021 as well, making it more difficult to implement initiatives. This was addressed by increasing distance learning activities where possible and reshaping face-to-face activities by applying specific anti-contact protocols.

The Information and Communication Technology Department followed up on the Cybersecurity campaign that involved all Group employees with a company device. Courses were also organised on the use of advanced applications for data management and analysis.

Courses on Privacy GDPR - Personal Data Protection and Code of Conduct, Organisation, Management and Control Model, anti-corruption measures and the whistleblowing process were also delivered through e-learning platforms. These were complemented by courses on specific business-related topics delivered via web-sharing tools by internal and external lecturers.

In 2021, 25 internships and apprenticeships were organised (30 in 2020) which involved students from vocational institutes, secondary schools and universities.

The average duration of the internships was 93 days (92 days in 2020). As at 31 December 2021, there were 20 temporary workers in the Group. In 2020 there were five.

# Attention to occupational health and safety

The Group has adopted an organisation and management model regarding occupational health and safety (SSL) that identifies the Employer as the physical person at the apex of all organisations, and attributes to them the full organisational and executive powers to safeguard occupational health and safety.

The Group can count on the Quality, Safety and Environment department, centralised in the Holding company, which supports the Employers of the individual companies in standardising procedures and good practices, pooling tools for prevention, risk assessment and management. The department personnel covers the roles of RSPP/ASPP and carries out internal audits.

The Prevention and Protection services of the single organisations are generally complemented by the internal company personnel also taking on the role in coordination with the centralised department. The aim of the model is to share the best experiences and create synergistic relations between all the Prevention and Protection Services thus guaranteeing the organisation the utmost flexibility.

Evacuation tests are carried out periodically at the main sites to identify and resolve any critical issues. In addition, specific sheets are drawn up on related risks and workplaces for the different tasks.

All Group companies have their own Health and Safety Management System which complies with the UNI OHSAS 45001 standard according to the specific Group Guidelines and in compliance with the Organisation Management and Control Model pursuant to Italian Legislative Decree no. 231 and their own policy/strategy that is committed to preventing, eliminating and reducing occupational health and safety risks. The policies, approved by the Employer, are published at the workplaces and on the companies' websites.

Group companies are subject to an internal audit system in compliance with UNI ISO 45001 and UNI EN ISO 19011 standards.

The SSL management systems of Hydro Dolomiti Energia, Dolomiti Edison Energy and the Novareti gas sector are certified in accordance with UNI ISO 45001 and are also audited by independent third parties.

All staff are granted supplementary health care, as established by the specific National Collective Bargaining Agreements applied, which also identify the reference funds for the sector.

The Group has also introduced further forms of welfare aimed at promoting the psychological and physical well-being of employees and their families through the provision of services that include the reimbursement of health expenses (e.g., specialist visits, dental care, lenses and glasses, laboratory tests, etc.), which can be used through a specific online platform made available to all employees.

The percentage of workers covered by an internally audited Health and Safety Management System is 99.79% of the total, of which 21.93% are covered by an independently certified third-party system. The SSL management systems of Hydro Dolomiti Energia, Dolomiti Edison Energy and the Novareti gas sector are certified in accordance with UNI ISO 45001.

### **Main risks**

The extreme variety of activities performed by the Group companies exposes workers to risks of various natures. In particular, the main risks noted are:

- of an electrical nature and due to falls from heights for electrical distribution company workers;
- electrical, hydraulic, drowning and fall from height accidents for workers in hydroelectric production and aqueduct management companies;
- due to road accidents, mechanical and manual load handling accidents for workers involved in waste management;
- due to fire and exposure to explosive atmospheres (ATEX) for workers employed by the natural gas distribution company;
- of exposure to chemical and biological agents, drowning and falling from a height for workers in collecting societies and sewage treatment plants;
- electrical, fire, exposure to explosive atmospheres (ATEX) and severely hot conditions for cogeneration workers;
- exposure to chemical and biological agents, fire and exposure to Explosive Atmospheres (ATEX) for Laboratory workers;
- ergonomic and for the eyesight of workers that spend long hours in front of display screens.

### **Policies and management model**

The Group pays great attention to occupational health and safety, and is fully aware of the great social importance of Employers and of their responsibility to proactively guarantee and promote the protection of the physical and psychological integrity of their workers, fostering the development of a healthy and suitable workplace and adopting the best organisational and procedural techniques in order to constantly improve the performance of the Occupational Health and Safety management system.

The Covid-19 emergency continued in 2021: the Group had promptly adapted to the state of crisis as soon as it arose and continued to manage it by complying with the prohibitions, obligations and recommendations issued by the Authorities to safeguard the health and safety of its employees and customers, as well as implementing measures and provisions aimed at mitigating the spread of the virus, adapting them to the operational needs of the various companies and with the specific intention of maintaining the continuity and availability of services in safe conditions.

### **Commitment to spreading a culture of health and safety**

It is thus committed to spreading a culture of safety based on developing the perception of risks, promoting responsible behaviour among workers and sharing responsibilities among all the parties involved in the Group's activities, bar none.

It is thus committed to spreading a culture of safety based on developing the perception of risks, promoting responsible behaviour among workers and sharing responsibilities among all the parties involved in the Group's activities, without exceptions.

The commitment to spreading a health and safety culture includes the strict compliance with legal requirements and the continuous improvement, through constant updating, of risk assessments, the conformity of all machinery, systems, equipment, protective devices for both the individual and the workplace, informa-

tion, training and drilling of workers, the adoption of safe procedures and operating practices, the health monitoring of workers, the consultation and participation of workers both directly and via their representatives in the prevention and possible management of emergencies. Furthermore, for a few years now, an important behavioural safety project termed BBS (Behaviour Based Safety) has been implemented and applied within SET Distribuzione, Dolomiti Ambiente, and the Holding's operative sectors (Laboratory and Warehouse).

The events that occurred and the actions implemented are monitored and periodically reviewed during the meetings between the Employers and the Prevention and Protection Service Managers. The results of internal health and safety audits which are normally carried out by the staff of the central Quality, Safety and Environment department are also reviewed on these occasions.

The common objectives of the company Employers include the constant improvement of the integrated occupational health and safety management system, continuous analyses of the criticality of the processes and resources to be protected, constant attention to the educational, training and communication processes, the adoption of the best economically accessible technologies and the control and updating of work methods.

Achieving the objectives of continuous improvement hinges on the ability to involve each individual worker in taking care of his/her health and safety and that of third parties in the workplace.

Employers identified the people in charge of covering the role of Prevention and Protection Service Managers for individual companies.

Risk assessment documents are updated to consider the structural development, the operating conditions and regulatory developments.

The implementation of the systems to manage workplace health and safety according to the model defined by the UNI ISO 45001:2018 standard continued in 2021. The management systems inspired by the OHSAS 18001 standard implemented in previous years in Group companies have been adapted to the new requirements of UNI ISO 45001:2018.

The companies Hydro Dolomiti Energia, Dolomiti Edison Energy and Novareti - gas distribution sector - have submitted their workplace health and safety systems for certification of compliance with the ISO 45001 standard by IMQ-CSQ.

The system is supported by the development and implementation of a specific software adopted for management (Simpledo.net). This instrument pursues the improved distribution of information, the prompt planning and management of fulfilments and deadlines, structured operating control and an efficient environment for the continuous improvement of the Occupational Health and Safety system.

Worker Safety Representatives have been appointed in each of the Group's companies (excluding Dolomiti Energia Solutions, Dolomiti Energia Trading, Dolomiti Edison Energy and Gasdotti Alpini). Through their Prevention and Protection Service Managers, each company organises consultation and coordination meetings with the Worker Safety Representatives several times during the year. The representations expired in 2021, but the employers confirmed their willingness to continue relations with all the Workers' Safety Representatives pending the appointment/election of new representatives.

### Percentage of workers represented by the safety committees\*

|              | 2021         | 2020         | 2019         |
|--------------|--------------|--------------|--------------|
| Men          | 94.6%        | 97.6%        | 97.9%        |
| Women        | 94.4%        | 95.6%        | 95.4%        |
| <b>TOTAL</b> | <b>94.6%</b> | <b>97.1%</b> | <b>97.4%</b> |

\* considering the Occupational Safety Representatives

The percentage of workers represented is very high (over 94%). Full coverage could be achieved if Workers' Safety Representatives were appointed even in companies that do not currently have them.

Communications are disseminated to workers through a variety of channels: direct training and information initiatives (in person or remotely), internal communications via the intranet portal, e-mail, posting on notice boards for workers not reached via computers, posters.

The Group provides workers with occupational health and safety training both at the recruitment stage and during skills development throughout their period of service.

In addition to compulsory activities resulting from regulatory obligations, training also includes training resulting from risk assessment and continuous process improvement. In detail, the main training courses provided in 2021 concerned:

- General training of newly recruited workers;
- Specific training for newly recruited workers or when a change of jobs involves a change in sector or risk level:
- Special and additional training for supervisors;
- Training for Occupational Health and Safety Managers;
- Education and training for emergency managers (fire, first aid, AED, lifts, environmental emergencies);
- Education and training for the specific task;
- Education and training in the use of machinery, equipment, PPE and hazardous substances;
- Training for specific figures such as: RSPP (Prevention and Protection Service Managers), ASPP (Prevention and Protection Staff), RLSA (Workers' Safety Representatives), Site Safety Coordinators.

The teaching is carried out by qualified personnel both inside and outside the organisation. The teachers are subjected to a skills assessment and their performance is also monitored with the direct involvement of workers.

Learning verification methods are included for the training activities.

## WORKERS' HEALTH PROMOTION AND OCCUPATIONAL HEALTH SERVICES

The occupational health service is entrusted to external professionals. In 2021, the Group had one coordinating Company Physician and three coordinated Company Physicians. The Physicians support the Employers by actively participating in risk assessment activities and workplace inspections to identify hazards and reduce risks.

The Company Physicians draw up specific surveillance plans (Health Surveillance Protocols) for each Group company, taking into account: the various tasks to which workers are assigned, the relevant risk factors, the age, gender and subjective conditions of individual workers.

Workers have access to the occupational health service not only in the pre-employment phase, but also by means of periodic visits according to the frequencies established by the health surveillance protocols.

In addition, preventive medical examinations are carried out in the event of a change in jobs that exposes workers to risks not previously assessed or after returning from prolonged periods of sick leave.

Workers are informed that they can also request extraordinary medical examinations if necessary. The medical service also includes a specific Listening Desk available to workers, at their simple request, to deal with any situations of personal distress.

The occupational health service is subject to periodic performance evaluation by the relevant internal functions.

In 2021, the health surveillance of workers involved 1,255 medical examinations and related health checks depending on the tasks assigned to the workers and the resulting health risk assessment.

Considering the increase in the number of employees and the fact that, for some categories of workers, the checks are carried out with a multi-year periodicity (2, 3 or 5 years), the figure is deemed to be in line with those of the previous years.

## INJURY PREVENTION FIGURES

The scope of the analysis includes the companies Dolomiti Energia Holding, Novareti, Dolomiti Ambiente, Dolomiti Energia, Dolomiti Energia Trading, Dolomiti Energia Solutions, SET Distribuzione, Dolomiti Edison Energy, Gasdotti Alpini and Hydro Dolomiti Energia. The Group's accident registers are referred to the INAIL offices in Trento, Rovereto, Verona and Vimercate. No fatal accidents were recorded in 2021 and no information was received on cases of occupational disease attributable to work activities under the Group's control.

## Accidents

|  |              | 2021               |                  |                    |
|--|--------------|--------------------|------------------|--------------------|
|  |              | Men                | Women            | Total              |
| <b>TOTAL NUMBER OF RECORDABLE WORK-RELATED ACCIDENTS</b>                                   | <b>No.</b>   | <b>23</b>          | <b>1</b>         | <b>24</b>          |
| <b>AT WORK</b>   | <b>No.</b>   | <b>22</b>          | <b>0</b>         | <b>22</b>          |
| Trento   | No.          | 18                 | 0                | 18                 |
| Rovereto   | No.          | 4                  | 0                | 4                  |
| Other locations  | No.          | 0                  | 0                | 0                  |
| <b>COMMUTING</b>   | <b>No.</b>   | <b>1</b>           | <b>1</b>         | <b>2</b>           |
| Trento   | No.          | 1                  | 0                | 1                  |
| Rovereto   | No.          | 0                  | 1                | 1                  |
| Other locations  | No.          | 0                  | 0                | 0                  |
| <b>TOTAL NUMBER OF WORK-RELATED ACCIDENTS WITH SERIOUS CONSEQUENCES (EXCLUDING DEATHS)</b> | <b>No.</b>   | <b>4</b>           | <b>0</b>         | <b>4</b>           |
| <b>AT WORK</b>   | <b>No.</b>   | <b>4</b>           | <b>0</b>         | <b>4</b>           |
| Trento   | No.          | 3                  | 0                | 3                  |
| Rovereto   | No.          | 1                  | 0                | 1                  |
| Other locations  | No.          | 0                  | 0                | 0                  |
| <b>COMMUTING</b>   | <b>No.</b>   | <b>0</b>           | <b>0</b>         | <b>0</b>           |
| <b>DAYS OF ABSENCE DUE TO ACCIDENTS</b>  | <b>days</b>  | <b>614</b>         | <b>39</b>        | <b>653</b>         |
| <b>AT WORK</b>   | <b>days</b>  | <b>612</b>         | <b>0</b>         | <b>612</b>         |
| Trento   | days         | 447                | 0                | 447                |
| Rovereto   | days         | 165                | 0                | 165                |
| Other locations  | days         | 0                  | 0                | 0                  |
| <b>COMMUTING</b>   | <b>days</b>  | <b>2</b>           | <b>39</b>        | <b>41</b>          |
| Trento   | days         | 2                  | 0                | 2                  |
| Rovereto   | days         | 0                  | 39               | 39                 |
| Other locations  | days         | 0                  | 0                | 0                  |
| <b>TOTAL NUMBER OF HOURS WORKED</b>  | <b>hours</b> | <b>1,841,735.6</b> | <b>446,859.8</b> | <b>2,288,595.4</b> |
| Trento   | hours        | 1,379,857.5        | 336,519.8        | 1,716,377.3        |
| Rovereto   | hours        | 419,772.4          | 89,506.2         | 509,278.6          |
| Other locations  | hours        | 42,105.7           | 20,833.8         | 62,939.5           |

## Accident rates (including commuting accidents)

|  | 2021   |       |        |
|--|--------|-------|--------|
|  | Men    | Women | Total  |
| Frequency index (rate of accidents at work)  | 12.49  | 2.24  | 10.49  |
| Mortality rate (rate of deaths resulting from accidents at work)   | 0      | 0     | 0      |
| Serious accident frequency index (rate of occupational accidents with serious consequences - excluding deaths) | 2.17   | 0     | 1.75   |
| Accident severity index  | 333.38 | 87.28 | 285.33 |

## Accident rates (three-year data - excluding commuting accidents)

|   | 2021 | 2020 | 2019  |
|---|------|------|-------|
| Frequency index (Rate of accidents at work) | 9.61 | 5.90 | 13.85 |
| Severity index                              | 0.26 | 0.17 | 0.41  |

## Notes on calculations:

Frequency index: (total number of accidents/total hours worked) \* 1,000,000

Severity index (including commuting accidents): (total number of days lost due to accidents/total hours worked)\* 1,000,000

Severity index (excluding commuting accidents): (total number of days lost due to accidents/total hours worked)\* 1,000

The rates also INCLUDE commuting accidents.

Absences due to accidents were calculated by adding the days of absence for accidents that occurred in the year of occurrence and ended on 31/12 and the days of absence for accidents that occurred in the previous year and ended in the reference year (only for the part pertaining to the reference year).

The data on the number and duration of accidents are extracted from the computerised accident registers through Simple-do.net. The data on occupational diseases were obtained from the HR Department and refer to occupational diseases recognised by INAIL. Data on hours worked were obtained from the HR Department and are aggregated by territorial insurance position as defined with INAIL.

No information was received on cases of occupational disease attributable to work activities under the control of the Dolomiti Energia Group in 2021.

When comparing the periods, excluding commuting accidents, there was an increase in the frequency index, measured as the number of incidents in relation to hours worked, from 5.90 in 2020 to 9.61 in 2021. However, the 2020 figure is considered to be anomalous as the number of accidents detected was also affected by the Covid-19 pandemic at national level. The comparison with the frequency indices of previous years confirms a reduction from 13.85 in 2019 to 9.61 in 2021.

The accident severity index, measured as the total number of days lost due to accidents in relation to the number of hours worked, also shows an increase in the figure compared to the previous year, but still improved compared to 2019.

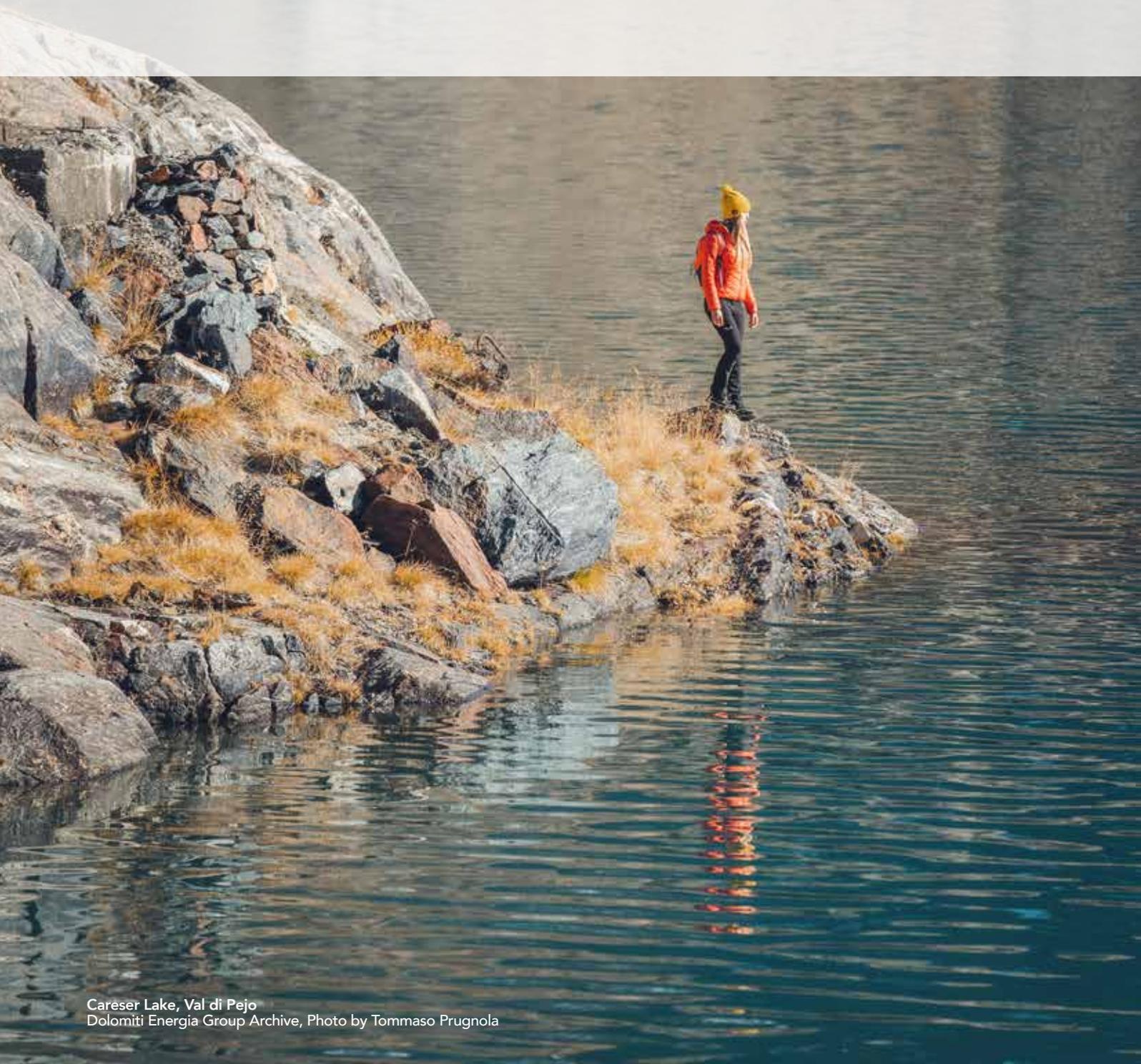
Among the factors that may have influenced the result is the continuation of the BBS project in the waste collection (Dolomiti Ambiente) and electricity distribution (SET) sectors. In addition, the "zero accidents" objective was achieved for Dolomiti Energia Holding, Dolomiti Edison Energy, Dolomiti Energia Solutions and Dolomiti Energia Trading.

Dolomiti Energy recorded only one commuting accident.

Employers have direct access to accident data by consulting computerised registers. They analyse statistical data on accident trends at regular meetings. In addition, quarterly data are revised for Management Control and to be sent to members of the Board of Directors. Statistical data are also sent to the Supervisory Bodies on an annual basis.

More information on the accident indices calculated without taking commuting accidents into account can be found in the Financial Statements Report.

# Appendix



# Methodological note and guide to interpretation

This fifth edition of the Consolidated Non-Financial Disclosure (henceforth also "Disclosure") is a transparency tool which as well as highlighting what the Group has done during the year also guides its future actions with the aim of fostering constant ethical, social and environmental improvements.

The Disclosure, drafted annually in compliance with Italian Legislative Decree no. 254/2016, follows the international principles of reference for sustainability reporting contained in the "Global Reporting Initiative Sustainability Reporting Standards"- GRI Standards, and the Electric Utilities Sector Supplement, with a Core level of application, which requires the reporting of at least one indicator for each material issue that emerges from the Materiality analysis.

Starting from the 2020 financial year, the Dolomiti Energia Group began already reporting the aspects related to health and safety in accordance with the provisions of the new version of the GRI Standard 403 and has prematurely adopted the new GRI Standard 306 "Effluents and waste", reporting information related to waste in accordance with the indications of the new standard updated in order to improve the disclosure and measurement of the environmental impacts of organisations. In addition, the recommendations of ESMA, which were also the subject of a Consob call for attention regarding the impact of the Covid-19 pandemic, climate-related aspects and issues, and the disclosure required by the European taxonomy (Regulation (EU) 2020/852) were taken into account to the extent available for the preparation of the 2021 Disclosure.

The identification and reporting of the contents of the Disclosure have taken into consideration the following principles of the GRI Standards: relevance, inclusiveness, sustainability context, completeness, balance between positive and negative aspects, comparability, accuracy, promptness, reliability and clarity.

The data and qualitative and quantitative information contained in the Disclosure refer to the Group's performance for the year ending 31 December 2021. A comparison has also been provided with the two previous years. There have been no restatements with regard to the figures from the previous year, except where explicitly indicated.

For each topic the Disclosure provides a framework of sustainability indicators useful for guaranteeing an understanding of the Group's activities, performances and results and the impact of these with regard to environmental, social, personnel and human rights issues and the fight against corruption.

The contents presented in the Disclosure have been identified as relevant, both for the Group and the stakeholders, by means of a materiality analysis: based on the issues that have arisen as material the GRI Standard aspects have been selected along with their relative disclosures (see the section "Materiality analysis").

All the data and information refer to the companies included within the scope of consolidation used for the Consolidated Financial Statements as at 31 December 2021, unless otherwise specified. In detail, the scope of consolidation includes: the Parent Company Dolomiti Energia Holding, Novareti, Dolomiti Energia Solutions, SET Distribuzione, Hydro Dolomiti Energia, Dolomiti Energia Trading, Dolomiti Ambiente, Dolomiti Energia, Dolomiti Energia Hydro Power, Dolomiti GNL, Dolomiti Edison Energy, Gasdotti Alpini and Dolomiti Transition Asset, the latter two consolidated for the first time in 2021.

The data collection process was coordinated by the Group Planning and Control Department through a non-financial reporting system, which involved the use of data collection forms and a web-based information system. The non-financial data and information were provided by the heads of the various corporate departments of the companies within the scope of reference using this system. The subsequent control and approval of the same was managed by the Management Control, Administration and Energy Management Department of Dolomiti Energia Solutions, which operates a service for the entire Group, as well as by the individual managers of reference.

This is reported that on February 2022 the Group's IT systems were attacked by external parties and that caused some of the IT platforms used by the Group unavailable. The provision of the services provided by the Group and the security of the systems have never been affected. The Group has immediately taken all measures to limit the effects and spread of the attack by activating the necessary actions to protect all the counterparties potentially involved with the support of a team of IT security experts. The situation has been previously notified to the Postal Police and to the competent authorities for data protection. Maximum efforts were made to restore full operations as quickly as possible, compatibly with the need to guarantee maximum process security. Therefore, in light of the above, certain information for FY 2021 is currently unavailable. The Group is committed to gathering the necessary information until the next year.

The document was subjected to a limited assurance by an external company, according to the criteria indicated in the "Independent Auditors' Report" that can be viewed at the bottom of the Disclosure.

The Disclosure was approved by the Board of Directors on 19 April 2022 along with the Draft Financial Statements and the Consolidated Financial Statements.

The Disclosure was drafted in compliance with Italian Decree no. 254/2016 and constitutes a separate document from the Report on Operations, but is an integral part of the documentation relative to the 2021 Financial Statements.

The Disclosure supplements and completes the Report on Operations and other related documentation.

# GRI Content Index

To facilitate the search for information within the Disclosure, an analytical index of the indicators envisaged by the GRI Standards Guidelines is provided below.

A brief content description is provided for each indicator, with reference to the page in this document or to any comments and the indication of any omissions.

## GRI Content Index

| Disclosure                               | Indicator description  | Page Number/Notes | Omissions |
|--|--|-------------------|-----------|
| <b>GRI 102: GENERAL DISCLOSURES 2016</b> |  |                   |           |
| <b>PROFILE OF THE ORGANISATION</b>       |  |                   |           |
| 102-1                                    | Name of the organisation   | 148               |           |
| 102-2                                    | Activities, brands, products, and services   | 9; 45-59          |           |
| 102-3                                    | Location of headquarters   | 148               |           |
| 102-4                                    | Location of operations   | 45                |           |
| 102-5                                    | Ownership and legal form   | 10-11             |           |
| 102-6                                    | Markets served   | 45-59             |           |
| 102-7                                    | Scale of the organisation  | 9                 |           |
| 102-8                                    | Number of employees by type of contract, region and gender                                 | 110-113           |           |
| 102-9                                    | Description of the supply chain  | 71-74             |           |
| 102-10                                   | Significant changes during the reporting period  | 25-26; 131-132    |           |
| 102-11                                   | Method of applying the principle or prudential approach                                    | 26-30             |           |
| 102-12                                   | Adoption of external codes and principles in an economic, social and environmental context | 65-66; 117        |           |
| 102-13                                   | Membership of associations and national or international support organisations             | 75-78             |           |
| EU-1                                     | Installed capacity   | 45-47             |           |
| EU-2                                     | Net energy produced  | 45-47             |           |
| EU-3                                     | Number of customers, divided by type   | 9; 45-47; 59      |           |
| EU-4                                     | Length of the transmission and distribution networks                                       | 48-49             |           |
| <b>STRATEGY</b>                          |  |                   |           |
| 102-14                                   | Statement from senior decision-maker   | 4-7               |           |
| <b>ETHICS AND INTEGRITY</b>              |  |                   |           |
| 102-16                                   | Values, principles, standards, and norms of behaviour                                      | 31-33             |           |

| Disclosure  | Indicator description   | Page Number/Notes         | Omissions |
|---|---|---------------------------|-----------|
| <b>GOVERNANCE</b>                                     |   |                           |           |
| 102-18  | Corporate governance structure  | 23-24                     |           |
| 102-23  | Chair of the highest governance body  | 24                        |           |
| 102-36  | Process for determining remuneration  | 115                       |           |
| <b>STAKEHOLDER ENGAGEMENT</b>                         |   |                           |           |
| 102-40  | List of stakeholder groups  | 36-39                     |           |
| 102-41  | Percentage of employees covered by collective bargaining agreements   | 115                       |           |
| 102-42  | Identifying and selecting stakeholders  | 36-38                     |           |
| 102-43  | Approach to stakeholder engagement  | 36-40                     |           |
| 102-44  | Key topics and concerns raised as a result of stakeholder engagement and relative actions                               | 36-39; 62-64; 67; 108-109 |           |
| <b>REPORTING PRACTICE</b>                             |   |                           |           |
| 102-45  | Entities included in the consolidated financial statements and indication of the companies not included in the report   | 126                       |           |
| 102-46  | Defining report content and topic boundaries  | 36-41                     |           |
| 102-47  | List of material topics   | 40-41                     |           |
| 102-48  | Explanation of the effects of restatements of information included in the previous reports and reasons for restatements | 125-126                   |           |
| 102-49  | Changes in reporting  | 125-126                   |           |
| 102-50  | Reporting period  | 125-126                   |           |
| 102-51  | Date of most recent report  | 2020                      |           |
| 102-52  | Reporting cycle   | 125                       |           |
| 102-53  | Contact point for questions regarding the report  | Back cover                |           |
| 102-54 / 102-55                                       | GRI content index and choice of the "in accordance" option  | 127-131                   |           |
| 102-56  | External assurance  | 142-147                   |           |
| <b>ECONOMIC PERFORMANCE: TOPIC SPECIFIC STANDARDS</b> |   |                           |           |
| <b>GRI 201: ECONOMIC PERFORMANCE 2016</b>             |   |                           |           |
| GRI 103   | Management approach 2016  | 14-15                     |           |
| 201-1   | Direct economic value generated and distributed   | 15                        |           |
| <b>GRI 203: INDIRECT ECONOMIC IMPACTS 2016</b>        |   |                           |           |
| GRI 103   | Management approach 2016  | 78-80                     |           |
| 203-1   | Development and impact of investments in infrastructure and services provided mainly for "public utility"               | 79-80                     |           |
| <b>GRI 204: PROCUREMENT PRACTICES 2016</b>            |   |                           |           |
| GRI 103   | Management approach 2016  | 71-74                     |           |
| 204-1   | Proportion of spending on local suppliers in relation to the most significant operating sites                           | 73                        |           |

| Disclosure   | Indicator description  | Page Number/Notes  | Omissions |
|--|--|--|-----------|
| <b>GRI 205: ANTI-CORRUPTION 2016</b>                       |  |  |           |
| GRI 103  | Management approach 2016   | 32-33  |           |
| 205-3  | Confirmed incidents of corruption and actions taken  | 32   |           |
| <b>ENVIRONMENTAL PERFORMANCE: TOPIC SPECIFIC STANDARDS</b> |  |  |           |
| <b>GRI 302: ENERGY 2016</b>                                |  |  |           |
| GRI 103  | Management approach 2016   | 83-84  |           |
| 302-1  | Energy consumption within the organisation   | 85-88  |           |
| 302-3  | Energy intensity   | 88   |           |
| 302-4  | Reduction of energy consumption  | 89   |           |
| <b>GRI 303: WATER 2018</b>                                 |  |  |           |
| GRI 103  | Management approach 2016   | 102-105  |           |
| 303-1  | Interactions with water as a shared resource   | 102-105  |           |
| 303-2  | Management of water discharge-related impacts  | 102-105  |           |
| 303-3  | Water withdrawal   | 103  |           |
| 303-4  | Water discharge  | 104  |           |
| <b>GRI 304: BIODIVERSITY 2016</b>                          |  |  |           |
| GRI 103  | Management approach 2016   | 100-102  |           |
| 304-1  | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas                            | 100-102  |           |
| 304-2  | Significant impacts of activities, products, and services on biodiversity within protected areas or areas of high biodiversity value even if outside protected areas | 100-102  |           |
| <b>GRI 305: EMISSIONS 2016</b>                             |  |  |           |
| GRI 103  | Management approach 2016   | 90   |           |
| 305-1  | Direct (Scope 1) GHG emissions   | 90-91  |           |
| 305-2  | Energy indirect (Scope 2) GHG emissions  | 91   |           |
| 305-4  | GHG emissions intensity  | 92   |           |
| 305-5  | Reduction of GHG emissions   | 60; 62-65; 93  |           |
| 305-6  | Emissions of ozone-depleting substances (ODS)  | No emissions of ODS were recorded in the reporting period since they are not present in the Group's plants |           |
| 305-7  | Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions   | 92   |           |
| <b>GRI 306: WASTE 2020</b>                                 |  |  |           |
| GRI 103  | Management approach 2016   | 94-95  |           |
| 306-1  | Waste generation and significant waste-related impacts   | 94-95  |           |
| 306-2  | Management of significant waste-related impacts  | 94-95  |           |
| 306-3  | Waste generated  | 52; 96; 99   |           |

| Disclosure   | Indicator description  | Page Number/Notes | Omissions   |
|--|--|-------------------|---|
| 306-4  | Waste diverted from disposal   | 56; 97            |   |
| 306-5  | Waste directed to disposal   | 57; 98            |   |
| <b>GRI 307: ENVIRONMENTAL COMPLIANCE 2016</b>          |  |                   |   |
| GRI 103  | Management approach 2016   | 80-84             |   |
| 307-1  | Cash value of significant fines and total number of non-cash fines due to non-compliance with environmental laws and regulations | 84                |   |
| <b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b> |  |                   |   |
| GRI 103  | Management approach 2016   | 71-73             |   |
| 308-1  | New suppliers that were screened using environmental criteria  | 72-73             |   |
| <b>SOCIAL PERFORMANCE: TOPIC SPECIFIC STANDARDS</b>    |  |                   |   |
| <b>GRI 401: EMPLOYMENT 2016</b>                        |  |                   |   |
| GRI 103  | Management approach 2016   | 107-109           |   |
| 401-1  | New employee hires and employee turnover   | 112-114           |   |
| 401-2  | Benefits provided to full-time employees that are not provided to temporary or part-time employees                               | 115               |   |
| <b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>    |  |                   |   |
| GRI 103  | Management approach 2016   | 117-121           |   |
| 403-1  | Occupational health and safety management system   | 117               |   |
| 403-2  | Hazard identification, risk assessment and incident investigation  | 108; 117-118      |   |
| 403-3  | Occupational health services   | 121               |   |
| 403-4  | Worker participation and consultation and communication on occupational health and safety  | 119-120           |   |
| 403-5  | Worker training on occupational health and safety  | 119-120           |   |
| 403-6  | Promotion of worker health   | 118-121           |   |
| 403-7  | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships                    | 73-74             |   |
| 403-8  | Workers covered by an occupational health and safety management system   | 117; 119-120      | Information on the occupational health and safety management systems of non-employees whose work/workplace is controlled by the Group is not currently available. |
| 403-9  | Work-related injuries  | 122-123           | Information on accident data for non-employees whose work/workplace is controlled by the Group is not currently available.  |

| Disclosure   | Indicator description  | Page Number/Notes | Omissions   |
|--|--|-------------------|---|
| 403-10   | Work-related ill health  | 123               | Information on occupational diseases of non-employees whose work/workplace is controlled by the Group is currently not available.   |
| <b>GRI 404: TRAINING AND EDUCATION 2016</b>                |  |                   |   |
| GRI 103  | Management approach 2016   | 116               |   |
| 404-1  | Average hours of training per year per employee, per gender and per category   |                   | Informations required by GRI 404-1 are not currently available.   |
| <b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>       |  |                   |   |
| GRI 103  | Management approach 2016   | 109-110           |   |
| 405-1  | Composition of governing bodies and subdivision of employees by category in relation to gender, age, membership of protected categories and other diversity indicators | 24-25; 110-113    |   |
| <b>SECTOR-SPECIFIC ASPECTS: SERVICE ACCESSIBILITY 2016</b> |  |                   |   |
| GRI 103  | Management approach 2016   | 67-68             |   |
| EU-26  | Percentage of population not served in the electrical energy distribution area   |                   | Based on the current concession and the current ARERA regulations, the distributor is required to connect all users who may request it to its network, following payment of a quote established on the basis of ARERA regulations. All residential centres in the managed area are connected to the grid. |
| EU-28  | Service interruption frequency index   | 67                |   |
| EU-29  | Average service interruption duration index  | 68                |   |
| <b>GRI 417: MARKETING AND LABELLING 2016</b>               |  |                   |   |
| GRI 103  | Management approach 2016   | 59-61             |   |
| 417-2  | Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling                           | 65                |   |

# Reconciliation statement on material topics, the areas covered by Italian Legislative Decree 54/2016 and the GRI Standards

| Material topics identified  | Topic-specific GRI standards of reference   | Areas of Italian Legislative Decree\ 254/2016  | Impact perimeter                               |  |
|---|---|--|--|--|
|   |   |  | Impacts in the group                           | Impacts outside the group  |
| Ethics and integrity in managing the business   | General Disclosure (GRI 102-12, 102-16)<br>Environmental compliance (GRI 307)   | Company<br>Environment<br>Personnel<br>Human Rights<br>Anti-corruption<br>Supply chain | All Group companies within the reporting scope | Customers<br>Community<br>Institutions<br>Competitors<br>Environment<br>Investors<br>Human resources<br>Suppliers<br>Shareholders<br>Media |
| Corporate welfare and health and safety in the workplace                                | Occupational health and safety (GRI 403)  | Personnel<br>Human Rights<br>Supply chain  | All Group companies within the reporting scope | Human resources  |
| Management of emergencies and business continuity                                       | Material Aspect not directly connected with a Topic-Specific GRI Standard, for which the management approach adopted and the relative indicators are reported in the document | Company<br>Environment<br>Personnel  | All Group companies within the reporting scope | Community<br>Customers<br>Media<br>Environment   |
| Efficient and sustainable use of water  | Water (GRI 303)   | Environment  | All Group companies within the reporting scope | Environment<br>Community   |
| Fight against corruption  | Anti-corruption (GRI 205)   | Anti-corruption  | All Group companies within the reporting scope | Community<br>Suppliers<br>Competitors<br>Investors<br>Institutions   |
| Accessibility, efficiency and reliability of the service                                | Efficiency of the system (G4-EU12)<br>Availability of the service (G4-EU26, G4-EU28, G4-EU29)   | Company  | All Group companies within the reporting scope | Customers<br>Community   |
| Innovation, quality, safety of the service and listening to and satisfying the customer | General Disclosure (GRI 102-43)   | Company  | All Group companies within the reporting scope | Customers<br>Community   |
| Reduction of energy consumption and greenhouse gas emissions                            | Energy (GRI 302)<br>Emissions (GRI 305)   | Environment  | All Group companies within the reporting scope | Community<br>Customers<br>Environment  |

|   |   |  |  |   |
|---|---|--|--|---|
| Mitigation of exposure to risks and development of business opportunities   | Material Aspect not directly connected with a Topic-Specific GRI Standard, for which the management approach adopted and the relative indicators are reported in the document | Personnel<br>Human Rights<br>Supply chain<br>Environment<br>Anti-corruption<br>Company | All Group companies within the reporting scope | Community<br>Customers<br>Investors<br>Human resources<br>Suppliers<br>Shareholders |
| Technological innovation, energy efficiency, renewables and district heating  | Energy (GRI 302)<br>Emissions (GRI 305)   | Environment<br>Company   | All Group companies within the reporting scope | Community<br>Customers<br>Environment<br>Investors                                  |
| Reduction of waste and adoption of responsible disposal methods   | Waste (GRI 306)   | Environment  | All Group companies within the reporting scope | Community<br>Customers<br>Environment   |
| Operations deep-rooted throughout the territory   | Economic performance (GRI 201)  | Company  | All Group companies within the reporting scope | Customers<br>Community  |
| Relations with the community and local institutions   | General Disclosure (GRI 102-13)<br>Economic performance (GRI 201)<br>Indirect economic impacts (GRI 203)  | Company  | All Group companies within the reporting scope | All stakeholders  |
| Well-being, work/life balance and protection of employment  | Employment (GRI 401)  | Personnel<br>Human Rights  | All Group companies within the reporting scope | Human resources   |
| Quality and costs of the waste collection service and urban embellishment   | Material Aspect not directly connected with a Topic-Specific GRI Standard, for which the management approach adopted and the relative indicators are reported in the document | Environment  | Dolomiti Ambiente                              | Customers<br>Company<br>Community   |
| Support for the community and non-profit sector   | Indirect economic impacts (GRI 203)   | Company  | All Group companies within the reporting scope | Community<br>Institutions   |
| Selection, management and control of suppliers and contractors according to fairness, transparency and social and environmental sustainability criteria | Procurement practices (GRI 204)<br>Supplier environmental assessment (GRI 308)  | Human Rights<br>Supply chain<br>Environment<br>Anti-corruption                         | All Group companies within the reporting scope | Suppliers<br>Community  |
| Transparent, clear and honest communication and marketing practices   | Marketing and labelling of products and services (GRI 417)  | Company  | All Group companies within the reporting scope | Customers<br>Community<br>Media   |
| Promotion of sustainability in governance and relations with the financial community  | Diversity and equal opportunity (GRI 405)   | Personnel<br>Human Rights<br>Supply chain<br>Environment<br>Anti-corruption<br>Company | All Group companies within the reporting scope | Community<br>Investors<br>Shareholders  |
| Staff training and development  | The quantitative information required by GRI 404 is not currently available. The management approach adopted is therefore set out below.                                      | Personnel  | All Group companies within the reporting scope | Human resources<br>Customers  |

|   |   |             |  |                       |
|---|---|-------------|--|-----------------------|
| Raising awareness on sustainable use of resources | Material Aspect not directly connected with a Topic-Specific GRI Standard, for which the management approach adopted and the relative indicators are reported in the document | Environment | All Group companies within the reporting scope | Community Environment |
| Biodiversity and protection of natural assets     | Water (GRI 303)<br>Biodiversity (GRI 304)   | Environment | All Group companies within the reporting scope | Community Environment |

# Attachments

## WASTE

### Waste produced by composition

|   |          | 2020            |                                   |                               |
|---|----------|-----------------|-----------------------------------|-------------------------------|
|   |          | Waste produced  | "Waste not destined for disposal" | "Waste destined for disposal" |
| <b>HAZARDOUS WASTE</b>  |          |                 |                                   |                               |
| Waste from electrical and electrical and electronic equipment | t        | 15.07           | 15.07                             | 0                             |
| Batteries and accumulators                                    | t        | 7.8             | 7.8                               | 0                             |
| cables  | t        | 1.99            | 1.99                              | 0                             |
| Fluorescent lighting  | t        | 0.18            | 0.18                              | 0                             |
| Packaging that contained hazardous substances                 | t        | 1.31            | 1.31                              | 0                             |
| Absorbents and filtering materials                            | t        | 1.1             | 1.1                               | 0                             |
| Mineral/synthetic oils  | t        | 4.26            | 4.26                              | 0                             |
| Chemicals   | t        | 2.91            | 2.91                              | 0                             |
| Other   | t        | 67.3            | 57.73                             | 9.57                          |
| <b>TOTAL</b>  | <b>t</b> | <b>101.92</b>   | <b>92.35</b>                      | <b>9.57</b>                   |
| <b>NON-HAZARDOUS WASTE</b>                                    |          |                 |                                   |                               |
| Plastics  | t        | 79.84           | 79.84                             | 0                             |
| Wood  | t        | 49.01           | 49.01                             | 0                             |
| Mixed packaging   | t        | 11.27           | 11.27                             | 0                             |
| Metal   | t        | 116.28          | 116.28                            | 0                             |
| Organic waste   | t        | 13.53           | 13.53                             | 0                             |
| Sewage sludge   | t        | 22.16           | 0                                 | 22.16                         |
| End-use electrical and electronic equipment                   | t        | 52.89           | 52.89                             | 0                             |
| Other   | t        | 1,571.61        | 121.64                            | 1,449.98                      |
| <b>TOTAL</b>  | <b>t</b> | <b>1,916.59</b> | <b>444.45</b>                     | <b>1,472.14</b>               |
| <b>TOTAL WASTE</b>  | <b>t</b> | <b>2,018.53</b> | <b>536.82</b>                     | <b>1,481.71</b>               |

## Self-produced waste not destined for disposal by type of recovery operation

|   |          | 2020     |                     |               |
|---|----------|----------|---------------------|---------------|
|   |          | In situ  | At an external site | Total         |
| <b>HAZARDOUS WASTE</b>  |          |          |                     |               |
| Recovery/Preparation for reuse  | t        | 0        | 0                   | 0             |
| Recycling   | t        | 0        | 0.01                | 0.01          |
| <i>Metal</i>  | t        | 0        | 0.01                | 0.01          |
| Other recovery operations   | t        | 0        | 92.36               | 92.36         |
| <i>-Waste from electrical and electrical and electronic equipment</i> | t        | 0        | 16.02               | 16.02         |
| <i>-Batteries and accumulators</i>                                    | t        | 0        | 6.86                | 6.86          |
| <i>-Cables</i>  | t        | 0        | 1.99                | 1.99          |
| <i>-Fluorescent lighting</i>  | t        | 0        | 0.18                | 0.18          |
| <i>-Packaging that contained hazardous substances</i>                 | t        | 0        | 1.31                | 1.31          |
| <i>-Absorbents and filtering materials</i>                            | t        | 0        | 1.10                | 1.10          |
| <i>-Mineral/synthetic oils</i>  | t        | 0        | 4.26                | 4.26          |
| <i>-Other</i>   | t        | 0        | 57.73               | 57.73         |
| <i>-Chemicals</i>   | t        | 0        | 2.91                | 2.91          |
| <b>TOTAL</b>  | <b>t</b> | <b>0</b> | <b>92.37</b>        | <b>92.37</b>  |
| <b>NON-HAZARDOUS WASTE</b>  |          |          |                     |               |
| Recovery/Preparation for reuse  | t        | 0        | 0                   | 0             |
| Recycling   | t        | 0        | 0                   | 0             |
| Other recovery operations   | t        | 0        | 444.44              | 444.44        |
| <i>-Plastics</i>  | t        | 0        | 95.65               | 95.65         |
| <i>-Wood</i>  | t        | 0        | 33.2                | 33.2          |
| <i>-Mixed packaging</i>   | t        | 0        | 11.27               | 11.27         |
| <i>-Metal</i>   | t        | 0        | 116.27              | 116.27        |
| <i>-Organic waste</i>   | t        | 0        | 13.53               | 13.53         |
| <i>-Sewage sludge</i>   | t        | 0        | 0                   | 0             |
| <i>-End-use electrical and electronic equipment</i>                   | t        | 0        | 52.84               | 52.84         |
| <i>-Other</i>   | t        | 0        | 121.68              | 121.68        |
| <b>TOTAL</b>  | <b>t</b> | <b>0</b> | <b>444.44</b>       | <b>444.44</b> |
| <b>TOTAL WASTE</b>  | <b>t</b> | <b>0</b> | <b>536.81</b>       | <b>536.81</b> |

## Self-produced waste destined for disposal by type of recovery operation

|  |          | 2020     |                     |                 |
|--|----------|----------|---------------------|-----------------|
|  |          | In situ  | At an external site | Total           |
| <b>HAZARDOUS WASTE</b>   |          |          |                     |                 |
| Incineration (including energy recovery)                       | t        | 0        | 0                   | 0               |
| Incineration (without energy recovery)                         | t        | 0        | 0                   | 0               |
| Disposal at landfills  | t        | 0        | 0                   | 0               |
| Other disposal operations                                      | t        | 0        | 9.57                | 9.57            |
| -Waste from electrical and electrical and electronic equipment | t        | 0        | 0                   | 0               |
| -Batteries and accumulators                                    | t        | 0        | 0                   | 0               |
| -Cables  | t        | 0        | 0                   | 0               |
| -Fluorescent lighting  | t        | 0        | 0                   | 0               |
| -Packaging that contained hazardous substances                 | t        | 0        | 0                   | 0               |
| -Absorbents and filtering materials                            | t        | 0        | 0                   | 0               |
| -Mineral/synthetic oils  | t        | 0        | 0                   | 0               |
| -Other   | t        | 0        | 9.57                | 9.57            |
| -Chemicals   | t        | 0        | 0                   | 0               |
| <b>TOTAL</b>   | <b>t</b> | <b>0</b> | <b>9.57</b>         | <b>9.57</b>     |
| <b>NON HAZARDOUS WASTE</b>                                     |          |          |                     |                 |
| Disposal at landfills  | t        | 0        | 31.42               | 31.42           |
| -Other   | t        | 0        | 31.42               | 31.42           |
| Other recovery operations                                      | t        | 0        | 2,202.09            | 2,202.09        |
| -Plastics  | t        | 0        | 0                   | 0               |
| -Wood  | t        | 0        | 0                   | 0               |
| -Mixed packaging   | t        | 0        | 0                   | 0               |
| -Metal   | t        | 0        | 0                   | 0               |
| -Organic waste   | t        | 0        | 0                   | 0               |
| -Sewage sludge   | t        | 0        | 44.32               | 44.32           |
| -End-use electrical and electronic equipment                   | t        | 0        | 0                   | 0               |
| -Other   | t        | 0        | 2,157.77            | 2,157.77        |
| <b>TOTAL</b>   | <b>t</b> | <b>0</b> | <b>2,233.51</b>     | <b>2,233.51</b> |

## Self-produced residual waste at the sites

|                     |          | 2020           |                                   |                               |                |                                   |                               |
|---------------------|----------|----------------|-----------------------------------|-------------------------------|----------------|-----------------------------------|-------------------------------|
|                     |          | ROVERETO       |                                   |                               | TRENTO         |                                   |                               |
|                     |          | Waste produced | "Waste not destined for disposal" | "Waste destined for disposal" | Waste produced | "Waste not destined for disposal" | "Waste destined for disposal" |
| Hazardous waste     | t        | 0              | 0                                 | 0                             | 0              | 0                                 | 0                             |
| Residual            | t        | 0              | 0                                 | 0                             | 0              | 0                                 | 0                             |
| <b>TOTAL</b>        | <b>t</b> | <b>0</b>       | <b>0</b>                          | <b>0</b>                      | <b>0</b>       | <b>0</b>                          | <b>0</b>                      |
| Non-hazardous waste | t        | 0              | 0                                 | 0                             | 0              | 0                                 | 0                             |
| Residual            | t        | 95,254         | 0                                 | 95,254                        | 265,240        | 0                                 | 265,240                       |
| <b>TOTAL</b>        | <b>t</b> | <b>95,254</b>  | <b>0</b>                          | <b>95,254</b>                 | <b>265,240</b> | <b>0</b>                          | <b>265,240</b>                |
| <b>TOTAL WASTE</b>  | <b>t</b> | <b>95,254</b>  | <b>0</b>                          | <b>95,254</b>                 | <b>265,240</b> | <b>0</b>                          | <b>265,240</b>                |

## Distribution of waste collected in Trento and Rovereto (tonnes)

| Waste by composition                  | 2019                  |                       |
|---------------------------------------|-----------------------|-----------------------|
|                                       | Collected in Rovereto | Collected in Rovereto |
| UoM<br>tonnes                         |                       |                       |
| Paper and cardboard                   | 2,749                 | 9,113                 |
| Glass                                 | 1,436                 | 4,744                 |
| Green waste                           | 1,202                 | 3,294                 |
| Organic waste                         | 4,281                 | 14,401                |
| Metal packaging                       | -                     | 18                    |
| Multi-material *                      | 1,542                 | 5,147                 |
| Bulky objects                         | 626                   | 1,378                 |
| Wood                                  | 938                   | 2,419                 |
| Inert                                 | 1,060                 | 2,505                 |
| WEEE                                  | 305                   | 788                   |
| Metal                                 | 240                   | 697                   |
| Other (Batteries, medicines, etc. **) | 121                   | 365                   |
| Used clothing                         | 132                   | 448                   |
| Residual                              | 3,129                 | 8,495                 |
| Sweeping                              | 562                   | 1,101                 |
| <b>TOTAL WASTE</b>                    | <b>18,322</b>         | <b>54,911</b>         |

\*\* includes other hazardous municipal waste and other non-hazardous municipal waste

\* For the year 2019, the breakdown already published in the Non-Financial Disclosures has been maintained, which comply with the requirements of the previous version of GRI 306 on Waste

## Kg per capita in Trento and Rovereto

| Waste by composition                  | 2019                  |                       |
|---------------------------------------|-----------------------|-----------------------|
|                                       | Collected in Rovereto | Collected in Rovereto |
|                                       | UoM<br>kg per capita  |                       |
| Paper and cardboard                   | 67.5                  | 75.2                  |
| Glass                                 | 35.3                  | 39.1                  |
| Green waste                           | 29.5                  | 27.2                  |
| Organic waste                         | 105.1                 | 118.8                 |
| Metal packaging                       | 0.0                   | 0.2                   |
| Multi-material *                      | 37.9                  | 42.5                  |
| Bulky objects                         | 15.4                  | 11.4                  |
| Wood                                  | 23.0                  | 20.0                  |
| Inert                                 | 26.0                  | 20.7                  |
| WEEE                                  | 7.5                   | 6.5                   |
| Metal                                 | 5.9                   | 5.8                   |
| Other (Batteries, medicines, etc. **) | 3.0                   | 3.0                   |
| Used clothing                         | 3.3                   | 3.7                   |
| Residual                              | 76.8                  | 70.1                  |
| Sweeping                              | 13.8                  | 9.1                   |
| <b>TOTAL WASTE</b>                    | <b>449.7</b>          | <b>453.0</b>          |

\* includes CER 200139 plastic and plastic packaging

\*\* includes other hazardous municipal waste and other non-hazardous municipal waste

\*\*\*For the year 2019, the breakdown already published in the Non-Financial Disclosures has been maintained, which comply with the requirements of the previous version of GRI 306 on Waste

## Waste produced internally by type and method of disposal

|  | 2019 *   |                 |
|--|----------|-----------------|
| Hazardous waste                            | t        | 127.22          |
| Non-hazardous waste                        | t        | 2,634.63        |
| <b>TOTAL</b>                               | <b>t</b> | <b>2,761.80</b> |
| <b>WASTE PRODUCED (by disposal method)</b> |          |                 |
| Recycling                                  | t        | 4.57            |
| Recovery (including energy recovery)       | t        | 1,140.78        |
| Landfill                                   | t        | 10.40           |
| Other (specify in note)                    | t        | 1,606.04        |

\* The data do not include Dolomiti Energia Trading and Dolomiti GNL.

## ACCIDENTS

### Accidents

|                                       | MEN        |            |              | WOMEN     |            |            | TOTAL      |            |              |
|---------------------------------------|------------|------------|--------------|-----------|------------|------------|------------|------------|--------------|
|                                       | 2020       | 2019       | 2018         | 2020      | 2019       | 2018       | 2020       | 2019       | 2018         |
| <b>NUMBER OF ACCIDENTS</b>            | <b>13</b>  | <b>29</b>  | <b>37</b>    | <b>1</b>  | <b>4</b>   | <b>5</b>   | <b>14</b>  | <b>33</b>  | <b>42</b>    |
| <b>AT WORK</b>                        | <b>12</b>  | <b>27</b>  | <b>33</b>    | <b>1</b>  | <b>3</b>   | <b>4</b>   | <b>13</b>  | <b>30</b>  | <b>37</b>    |
| Trento                                | no. 10     | 20         | 29           | 1         | 3          | 3          | 11         | 23         | 32           |
| Rovereto                              | no. 2      | 7          | 4            | 0         | 0          | 1          | 2          | 7          | 5            |
| Other locations (Verona + Vimer-cate) | no. 0      | 0          | 0            | 0         | 0          | 0          | 0          | 0          | 0            |
| <b>WHILE COMMUTING</b>                | <b>1</b>   | <b>2</b>   | <b>4</b>     | <b>0</b>  | <b>1</b>   | <b>1</b>   | <b>1</b>   | <b>3</b>   | <b>5</b>     |
| Trento                                | no. 1      | 2          | 3            | 0         | 1          | 1          | 1          | 3          | 4            |
| Rovereto                              | no. 0      | 0          | 1            | 0         | 0          | 1          | 0          | 0          | 1            |
| Other locations (Verona + Vimer-cate) | no. 0      | 0          | 0            | 0         | 0          | 0          | 0          | 0          | 0            |
| <b>ABSENCES DUE TO ACCIDENTS**</b>    | <b>400</b> | <b>713</b> | <b>1,393</b> | <b>12</b> | <b>214</b> | <b>190</b> | <b>412</b> | <b>927</b> | <b>1,583</b> |
| At work                               | days 376   | 669        | 1,214        | 12        | 206        | 168        | 388        | 905        | 1,382        |
| Commuting                             | days 24    | 14         | 179          | 0         | 8          | 22         | 25         | 22         | 285*         |

### Hours worked

|  | 2020             | 2019             | 2018             |
|--|------------------|------------------|------------------|
| Trento   | hours 1,670,619  | 1,672,575        | 1,643,389        |
| Rovereto   | hours 475,090    | 435,049          | 423,931          |
| Other locations (Verona + Vimer-cate)            | hours 58,972     | 58,410           | 58,567           |
| <b>TOTAL NUMBER OF HOURS WORKED (estimated)*</b> | <b>2,204,681</b> | <b>2,166,034</b> | <b>2,125,887</b> |

\* Also for 2019, as data on hours worked broken down by gender (M/F) were not readily available, the data provided by the HR Department aggregated for each INAIL insurance position were used. Occupational disease rate (ODR): (total number of cases of occupational diseases/total hours worked) \* 200,000 – Calculation method recommended by GRI. The rates also include commuting accidents.

### Injury rates

|                   | 2020       | 2019  | 2018  |
|-------------------|------------|-------|-------|
| Severity index**  | hours 0.18 | 0.42  | 0.74  |
| Frequency index** | hours 5.90 | 13.90 | 19.76 |

\*\* Severity index: (total number of days lost due to accidents/total hours worked)\* 1,000  
Frequency index: (total number of accidents/total hours worked) \* 1,000,000



# Independent Auditors' report





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(Translation from the Italian original which remains the definitive version)

## **Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018**

*To the board of directors of  
 Dolomiti Energia Holding S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2021 consolidated non-financial statement of the Dolomiti Energia Group (the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 19 April 2022 (the "NFS").

Our procedures did not cover the information set out in the "Disclosure pursuant to Regulation (EU) 2020/852 on the taxonomy" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

### ***Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Dolomiti Energia Holding S.p.A. (the "parent") for the NFS***

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards") and the sector supplement "*Electric Utilities Sector Supplement*" (Core application level), which they have identified as the reporting standards.

The directors are also responsible, within the terms established byin accordance with the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

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Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the Group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies for the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

***Auditors' independence and quality control***

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

***Auditors' responsibility***

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.



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 31 December 2021

Specifically, we carried out the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.
2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.
4. Gaining an understanding of the following:
  - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
  - the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
  - the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

Specifically, we held interviews and discussions with the parent's management personnel and personnel of Dolomiti Energia S.p.A., Dolomiti Ambiente S.r.l., Dolomiti Energia Solutions S.r.l., Set Distribuzione S.p.A. and of Novareti S.p.A.. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent level,
  - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
  - b) we carried out analytical and limited procedures to check the correct aggregation of data in the quantitative information;
- with regard to Rovereto and Trento plants, which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, we inquired their management and obtained documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.



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### **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 consolidated non-financial statement of the Dolomiti Energia Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards and the sector supplement "*Electric Utilities Sector Supplement*" (Core application level).

Our conclusion does not extend to the information set out in the "Disclosure pursuant to Regulation (EU) 2020/852 on the taxonomy" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Verona, 11 May 2022

KPMG S.p.A.

(signed on the original)

Massimo Rossignoli  
Director of Audit

The attached report of the independent auditors and the NFD to which it refers are compliant with those filed at the registered office of Dolomiti Energia Holding SpA and, after the date of the report, KPMG SpA did not carry out any audit work aimed at updating its contents.

Editorial coordination  
Dolomiti Energia Holding Communication Dept.

We wish to thank all of our colleagues  
who worked on producing this document

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