



# 2024 Financial Report

**SEPARATE FINANCIAL STATEMENTS**

**VOLUME 3**

*This document has been translated into English for the convenience of readers outside Italy.  
The original Italian document published under the Transparency directive should be considered the authoritative version.*

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# Contents

<b>Separate financial statements (Primary statements and Reclassified Balance Sheet)</b> .....	<b>3</b>
<b>Income Statement and Other Components of the Comprehensive Income Statement</b> .....	<b>4</b>
<b>Balance Sheet</b> .....	<b>5</b>
<b>Cash Flow Statement</b> .....	<b>6</b>
<b>Statement of Changes in Shareholders' Equity</b> .....	<b>7</b>
<b>Reclassified Balance Sheet</b> .....	<b>8</b>
<b>Notes to the Separate Financial Statements at December 31, 2024</b> .....	<b>9</b>
<b>1. Introduction</b> .....	<b>10</b>
1.1 Newly applied accounting standards .....	10
1.2 Presentation formats adopted by the Company .....	10
1.3 Application of accounting standard IFRS 5 .....	11
1.4 Extraordinary transactions .....	15
<b>2. Performance</b> .....	<b>17</b>
2.1 Core business of the Parent Company .....	17
2.2 Key events .....	18
2.3 Highlights .....	20
<b>3. Net working capital</b> .....	<b>27</b>
3.1 Credit risk management .....	27
3.2 Operating working capital .....	27
3.3 Other assets and liabilities .....	29
<b>4. Market risk management</b> .....	<b>30</b>
4.1 Market risks and risk management .....	30
4.2 Hedge accounting and economic hedges – Fair value hierarchy .....	32
4.3 Effects of derivative transactions on the Income Statement and Balance Sheet at December 31, 2024 .....	33
<b>5. Fixed asset, financial assets and provisions</b> .....	<b>36</b>
5.1 Tangible, intangible assets and goodwill .....	36
5.2 Equity investments and other non-current financial assets .....	40
5.3 Provisions for risks and employee benefits .....	42
5.4 Contingent assets and liabilities .....	44
<b>6. Shareholders' equity</b> .....	<b>45</b>
<b>7. Net Financial Debt (Available Funds) and Cost of Debt</b> .....	<b>49</b>
7.1 Management of Financial Resources .....	49
7.2 Net Financial Debt (Available Funds) and Cost of Debt .....	50
7.3 Financial risk management .....	54
<b>8. Taxation</b> .....	<b>57</b>
8.1 Tax risk and tax management .....	57
8.2 Taxes .....	57
8.3 Tax assets and liabilities .....	58
<b>9. Non-energy assets</b> .....	<b>60</b>
<b>10. Other notes</b> .....	<b>70</b>
10.1 Other commitments .....	70
10.2 Intercompany and related-party transactions .....	71
<b>11. Valuation criteria</b> .....	<b>74</b>
11.1 Use of estimated values .....	74
11.2 Other valuation criteria applied .....	76
<b>12. Other information</b> .....	<b>82</b>
12.1 Significant non-recurring events and transactions .....	82
12.2 Transactions resulting from atypical and/or unusual activities .....	82
12.3 Treasury Shares .....	82
12.4 Compensation, Stock Options and Equity Investments of Directors, Executives with Strategic Responsibilities and Statutory Auditors .....	82
12.5 Fees of the Independent Auditors .....	82
12.6 Information pursuant to Article 1, Sections 125-129, Law No. 124/2017 .....	83
<b>Significant events occurring after December 31, 2024</b> .....	<b>83</b>
<b>List of Equity Investments</b> .....	<b>84</b>
<b>Motion for a resolution</b> .....	<b>90</b>
<b>Certification pursuant to Art. 81-ter of CONSOB Regulation no. 11971</b> .....	<b>92</b>
<b>Report of the Independent Auditors</b> .....	<b>93</b>

# Separate financial statements

## (Primary statements and reclassified balance sheet)

## INCOME STATEMENT

	Chapter	2024 financial year	of which related parties	2023 financial year	of which related parties
Sales revenues	2.3	12,720,885,140	8,405,235,837	16,402,122,399	11,339,685,963
Other revenues and income	2.3	117,261,049	66,324,392	118,895,342	61,761,602
<b>Total revenues</b>		<b>12,838,146,189</b>		<b>16,521,017,741</b>	
Commodities and logistics costs (-)	2.3	(11,159,736,765)	(997,367,370)	(14,906,383,213)	(2,508,700,649)
Other costs and services used (-)	2.3	(419,460,274)	(40,879,565)	(306,966,374)	(43,190,276)
Labor costs (-)	2.3	(172,294,982)	(7,693,692)	(164,811,167)	
Receivables (Write-downs)/reversal	3.2	1,614,409		2,583,763	
Other costs (-)	2.3	(64,456,703)	(1,346,924)	(76,643,047)	(2,363,021)
<b>EBITDA</b>	2.3	<b>1,023,811,874</b>		<b>1,068,797,703</b>	
Net change in fair value of derivatives	4.3	(1,108,354)	(454,318,675)	(49,671,050)	741,806,324
Depreciation and amortisation (-)	5.1	(193,663,241)		(157,143,839)	
(Write-downs) reversal on assets	5.1	(2,177,119)		(40,730)	
Other net income (expense) non-Energy Activities	9	(630,937,308)	(42,582,927)	(553,032,945)	(22,641,554)
<b>EBIT</b>		<b>195,925,852</b>		<b>308,909,139</b>	
Net financial income (expense) on net financial debt (available funds)	7.2	67,768,537	82,638,363	62,091,765	74,260,726
Income (expense) on assignment of receivables without recourse	3.2	(3,323,897)		(5,046,636)	
Financial expense for decommissioning and adjustment of provisions	5.3 - 9	(9,510,013)		(4,915,301)	
Net lease income (expense)	7.2	(8,189,518)	92,989	(8,299,220)	106,126
Other net financial income (expense)	2.3	7,088,620	22,309,910	(2,752,052)	(21,258,991)
Revaluations (write-downs) from equity investments, net	5.2	34,410,089	34,759,558	23,340,998	26,870,050
Dividends	5.2	148,490,042	148,391,851	55,403,351	55,291,202
Gains (losses) on the sale of equity investments, net	5.2	18,563,875		9,551,768	2,914,633
<b>Income (loss) before taxes</b>		<b>451,223,587</b>		<b>438,283,812</b>	
Income taxes	8.2	(79,869,965)		(108,128,896)	
<b>Net income (loss) from continuing operations</b>		<b>371,353,622</b>		<b>330,154,916</b>	
Net income (loss) from discontinued operations	2.3	27,947,947		(728,877)	
<b>Net income (loss) for the year</b>	2.3	<b>399,301,569</b>		<b>329,426,039</b>	

## OTHER COMPONENTS OF THE COMPREHENSIVE INCOME STATEMENTS

(in euros)	Chapter	2024 financial year	2023 financial year
<b>Net income (loss) for the year</b>	2.8	<b>399,301,569</b>	<b>329,426,039</b>
<b>A) Change in the cash flow hedge reserve</b>	6	<b>(38,078,069)</b>	<b>412,585,320</b>
Gains (Losses) arising during the year		(54,296,567)	574,213,588
Income taxes (+/-)		16,218,498	(161,628,268)
<b>B) Actuarial gains (losses) (*)</b>	6	<b>(39,297)</b>	<b>108,988</b>
<b>Total other components of comprehensive income net of taxes (A+B)</b>		<b>(38,117,366)</b>	<b>412,694,308</b>
<b>Total comprehensive profit (loss)</b>		<b>361,184,203</b>	<b>742,120,347</b>

(\*) Items that will not be reclassified to the income statement.

# BALANCE SHEET

<i>(in euros)</i>	Chapter	12.31.2024	<i>of which related parties</i>	12.31.2023	<i>of which related parties</i>
<b>ASSETS</b>					
Property, plant and equipment	5.1	2,015,573,050		2,032,817,713	
Intangible assets	5.1	77,738,287		77,188,040	
Goodwill	5.1	1,457,690,046		1,457,690,046	
Equity investments	5.2	1,574,121,756	1,574,121,756	1,626,490,423	1,626,490,423
Investments at fair value through profit and loss	5.2	2,305,455		1,912,586	
Other non-current financial assets	5.2	16,805,976	8,941,976	17,592,304	9,910,475
Non-current financial assets from subsidiaries and affiliated companies	7.2	810,462,629	810,462,629	1,153,079,524	1,153,079,524
Deferred-tax assets	8.3	320,945,582		326,404,797	
Receivables for taxes	8.3	3,183,110		4,630,135	
Other non-current assets	3.3	24,455,772	2,146,643	20,976,539	2,213,413
Fair value non-current assets	4	51,942,369	34,161,155	183,500,032	160,202,126
<b>Total non-current assets</b>		<b>6,355,224,032</b>		<b>6,902,282,139</b>	
Inventories	3.2	151,016,491		143,932,569	
Trade receivables	3.2	1,748,707,213	900,048,253	1,646,202,385	922,895,581
Current tax assets	8.3	114,968,386	101,028,338	-	
Other current assets	3.3	454,727,119	207,076,815	472,680,838	329,616,580
Fair value	4	539,767,634	121,759,342	1,050,130,256	797,554,924
Current financial assets from subsidiaries and affiliated companies	7.2	345,782,512	345,782,512	383,126,474	383,126,474
Cash and cash equivalents	7.2	887,005,478	878,427,881	1,207,627,090	1,201,427,881
<b>Total current assets</b>		<b>4,241,974,833</b>		<b>4,903,699,612</b>	
<b>Assets held for sale</b>	1.4	<b>335,287,455</b>		<b>285,380,758</b>	
<b>Total assets</b>		<b>10,932,486,320</b>		<b>12,091,362,509</b>	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Share capital		4,736,117,250		4,736,117,250	
Statutory reserve		65,682,049		49,210,747	
Other reserves		401		401	
Reserve from merger by incorporation		17,354,294		-	
Reserves for other components of comprehensive income		7,119,753		45,237,119	
Retained earnings/(loss carryforward)		496,296,746		541,837,600	
Profit (Loss) for the period		399,301,569		329,426,039	
<b>Total shareholders' equity</b>	6	<b>5,721,872,062</b>		<b>5,701,829,156</b>	
Employee benefits	5.3	10,880,271		11,388,393	
Provisions for decommissioning and remediation of industrial sites	5.3	72,528,585		72,036,688	
Provisions for other risks and charges	5.3	49,704,161		47,805,264	
Provisions for risks on equity investments	5.2	41,863		41,863	
Provisions for risks on non-Energy Activity disputes	9	700,577,732		749,524,956	
Deferred-tax liabilities	8.3	1,643,348		19,275,846	
Non-current trade payables	3.2	9,879,938		76,600,450	
Other non-current liabilities	7.2	143,633,440		4,568,012	
Fair value non-current liabilities	4	23,510,970	16,701,538	155,503,476	126,975,215
Non-current financial debt	7.2	643,610,501		587,044,092	
<b>Total non-current liabilities</b>		<b>1,656,010,809</b>		<b>1,723,789,040</b>	
Trade payables	3.2	1,920,701,783	204,321,122	1,705,803,386	211,841,717
Current tax payables	8.3	210,381	-	213,615,650	138,855,944
Other current liabilities	3.3	434,609,577	6,998,523	207,282,663	25,983,031
Fair value current liabilities	4	642,832,243	279,993,257	1,271,346,240	325,231,871
Current financial debt	7.2	153,003,799	32,383,588	236,288,859	12,809,187
Current financial debt to subsidiaries and affiliated companies	7.2	352,602,482	352,602,482	1,002,689,721	1,002,689,721
<b>Total current liabilities</b>		<b>3,503,960,265</b>		<b>4,637,026,519</b>	
<b>Liabilities held for sale</b>	1.4	<b>50,643,184</b>		<b>28,717,794</b>	
<b>Total liabilities and shareholders' equity</b>		<b>10,932,486,320</b>		<b>12,091,362,509</b>	

## CASH FLOW STATEMENT

This cash flow statement analyses cash flows relative to short-term liquid funds (due within 3 months), the value of which at year-end is 887 million euros, as compared with those of 2023 equal to 1,208 million euros. For a better understanding of cash flows, the dynamics of cash generation and absorption and the overall change in the Company's financial debt, please refer to the comments in paragraph 7.2 "Total Financial Debt and Cost of Debt".

<i>(in euros)</i>	<b>2024 financial year</b>	<i>of which related parties</i>	<b>2023 financial year</b>	<i>of which related parties</i>
<b>Profit (Loss) before taxes of Edison Spa</b>	<b>451,223,587</b>		<b>438,283,812</b>	
Depreciation, amortisation and write-downs	195,840,360		157,184,569	
Net additions to/(Utilisations of) provisions for risks	508,293,318		435,332,178	
(Gains) Losses on the sale of non-current assets	(15,566,306)		(8,831,725)	
(Revaluations) Write-downs of non-current financial assets	(34,410,089)	(34,759,558)	(23,340,998)	(26,870,050)
Change in provisions for employee benefits	(508,122)		(855,977)	
Change in fair value recognised in EBIT	1,108,354	(454,318,675)	49,671,050	741,806,324
Change in the operating working capital	38,589,135	15,326,733	120,279,034	509,153,524
Dividends from subsidiaries, affiliated companies and other companies	(148,490,042)	(148,391,851)	(55,403,351)	(55,291,202)
Dividends collected (including amounts attributable to previous years)	148,490,042	148,391,851	55,403,351	55,291,202
Net financial income (expense)	(41,826,216)	(82,731,352)	(47,525,477)	(74,366,852)
Financial income collected	137,075,584	132,090,255	111,166,886	105,998,698
Financial (expense) paid	(79,076,074)	(57,444,994)	(58,594,526)	(28,489,754)
Net income taxes paid	(420,153,840)		(232,896,813)	
Change in other operating assets and liabilities	(190,572,401)	(782,586,517)	(353,368,422)	771,217,870
<b>A. Cash flow from continuing operations</b>	<b>550,017,290</b>		<b>586,503,591</b>	
Investments in property, plant and equipment and intangible assets (-)	(155,724,674)		(135,938,781)	
Equity investments and other financial assets (-)	(80,414,848)	(80,414,848)	(63,640,950)	(63,640,950)
Proceeds from the sale of intangibles and property, plant and equipment	3,162,996	-	7,476,515	641,515
Proceeds from the sale of non-current financial assets	18,570,367		12,446,630	
Capital proceeds of non-current financial assets	42,452		2,871,125	
<b>B. Cash flow from investment activities</b>	<b>(214,363,706)</b>		<b>(176,785,462)</b>	
Proceeds from new medium-term and long-term loans	102,000,000		18,000,000	
Redemptions of medium-term and long-term loans (-)	(25,549,407)		(23,731,225)	
Other changes in short-term financial debt	(754,191,055)	(630,512,838)	641,935,936	482,423,253
Dividends paid	(358,495,591)	(345,162,059)	(107,481,376)	(101,247,537)
Change in other current and non-current financial assets	379,960,857	38,312,461	(162,792,771)	(85,961,715)
<b>C. Cash used in financing activities</b>	<b>(656,275,196)</b>		<b>365,930,564</b>	
<b>D. Net cash flow for the year (A+B+C)</b>	<b>(320,621,612)</b>		<b>775,648,693</b>	
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>1,207,627,090</b>	<b>1,201,427,881</b>	<b>431,978,397</b>	<b>421,427,881</b>
<b>F. Cash and cash equivalents at the end of the year (D+E)</b>	<b>887,005,478</b>	<b>878,427,881</b>	<b>1,207,627,090</b>	<b>1,201,427,881</b>

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

(in euros)	Share capital capital	Reserve Legal	Other reserves	Reserve from merger by absorption	Reserves and retained earnings (loss carryforward)	Reserve for other components		Profit (Loss) for the period	Total shareholders' (loss)
						Cash flow hedge	Actuarial gains (losses) pursuant to IAS 19		
<b>Balances at December 31, 2022</b>	<b>4,736,117,250</b>	<b>36,048,691</b>	<b>401</b>	<b>-</b>	<b>399,239,905</b>	<b>(366,098,991)</b>	<b>(1,358,198)</b>	<b>263,241,127</b>	<b>5,067,190,185</b>
Appropriation of the 2022 result	-	13,162,056	-	-	142,597,695	-	-	(155,759,751)	-
Dividends	-	-	-	-	-	-	-	(107,481,376)	(107,481,376)
Other change in comprehensive income	-	-	-	-	-	412,585,320	108,988	-	412,694,308
2023 Profit (loss)	-	-	-	-	-	-	-	329,426,039	329,426,039
<b>Period changes 2023</b>	<b>-</b>	<b>13,162,056</b>	<b>-</b>	<b>-</b>	<b>142,597,695</b>	<b>412,585,320</b>	<b>108,988</b>	<b>66,184,912</b>	<b>634,638,971</b>
<i>of which total net comprehensive income/(loss) 2023</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>412,585,320</i>	<i>108,988</i>	<i>329,426,039</i>	<i>742,120,347</i>
<b>Balances at December 31, 2023</b>	<b>4,736,117,250</b>	<b>49,210,747</b>	<b>401</b>	<b>-</b>	<b>541,837,600</b>	<b>46,486,329</b>	<b>(1,249,210)</b>	<b>329,426,039</b>	<b>5,701,829,156</b>
Appropriation of the 2024 result	-	16,471,302	-	-	1,820,319	-	-	(18,291,621)	-
Dividends (*)	-	-	-	-	(47,361,173)	-	-	(311,134,418)	(358,495,591)
Other change in comprehensive income	-	-	-	-	-	(38,078,069)	(39,297)	-	(38,117,366)
Merge by incorporation	-	-	-	17,354,294	-	-	-	-	17,354,294
2024 Profit (loss)	-	-	-	-	-	-	-	399,301,569	399,301,569
<b>Period changes 2024</b>	<b>-</b>	<b>16,471,302</b>	<b>401</b>	<b>17,354,294</b>	<b>(45,540,854)</b>	<b>(38,078,069)</b>	<b>(39,297)</b>	<b>69,875,530</b>	<b>20,042,906</b>
<i>of which total net comprehensive income/(loss) 2024</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(38,078,069)</i>	<i>(39,297)</i>	<i>399,301,569</i>	<i>361,184,203</i>
<b>Balances at December 31, 2024</b>	<b>4,736,117,250</b>	<b>65,682,049</b>	<b>401</b>	<b>17,354,294</b>	<b>496,296,746</b>	<b>8,408,260</b>	<b>(1,288,507)</b>	<b>399,301,569</b>	<b>5,721,872,062</b>

(\*) The Shareholders' Meeting of Edison Spa, held on March 26, 2024, resolved to allocate a portion of the profit for the 2023 financial year, for a total of 358 million euros, dividend for savings and ordinary shares. This amount was paid on April 24, 2024.

## RECLASSIFIED BALANCE SHEET

This schedule, prepared on a voluntary basis, reclassifies the balance sheet items of the main statement, to allow a quicker reconciliation with the information provided in the following chapters.

(in euros)	Chapter	12.31.2024	12.31.2023
<b>NET WORKING CAPITAL</b>	<b>3</b>	<b>13,715,297</b>	<b>294,105,832</b>
<b>Operating Working Capital</b>	<b>3.2</b>	<b>(30,858,017)</b>	<b>7,731,118</b>
Inventories (+)		151,016,491	143,932,569
Trade receivables (+)		1,748,707,213	1,646,202,385
Current trade payables (-)		(1,920,701,783)	(1,705,803,386)
Non-current trade payables (-)		(9,879,938)	(76,600,450)
<b>Other assets / (liabilities)</b>	<b>3.3</b>	<b>44,573,314</b>	<b>286,374,714</b>
Other current assets		454,727,119	472,680,838
Other non-current assets		24,455,772	20,976,539
Other current liabilities		(434,609,577)	(207,282,663)
<b>FAIR VALUE</b>	<b>4</b>	<b>(74,633,210)</b>	<b>(193,219,428)</b>
- current assets		539,767,634	1,050,130,256
- non-current assets		51,942,369	183,500,032
- current liabilities		(642,832,243)	(1,271,346,240)
- non-current liabilities		(23,510,970)	(155,503,476)
<b>INVESTED CAPITAL AND PROVISIONS</b>	<b>5</b>	<b>5,011,079,690</b>	<b>5,082,418,904</b>
<b>Fixed assets</b>	<b>5.1</b>	<b>3,551,001,383</b>	<b>3,567,695,799</b>
Fixed assets		3,551,001,383	3,567,695,799
<b>Equity investments</b>	<b>5.2</b>	<b>1,593,233,187</b>	<b>1,645,995,313</b>
Equity investments		1,574,121,756	1,626,490,423
Investments at fair value through profit and loss		2,305,455	1,912,586
Other non-current financial assets		16,805,976	17,592,304
<b>Operational Provisions</b>	<b>5.3</b>	<b>(133,154,880)</b>	<b>(131,272,208)</b>
Employee benefits		(10,880,271)	(11,388,393)
Provisions for decommissioning and remediation of industrial sites		(72,528,585)	(72,036,688)
Provisions for other risks and charges		(49,704,161)	(47,805,264)
Provisions for risks on equity investments		(41,863)	(41,863)
<b>TAX ASSETS (LIABILITIES)</b>	<b>8</b>	<b>437,243,349</b>	<b>98,143,436</b>
Non-current tax assets		3,183,110	4,630,135
Current-tax assets		114,968,386	-
Current taxes (payable)		(210,381)	(213,615,650)
(Non-current) taxes (payable)		-	-
Deferred-tax assets		320,945,582	326,404,797
(Deferred-tax liabilities)		(1,643,348)	(19,275,846)
<b>NET INVESTED CAPITAL</b>		<b>5,387,405,126</b>	<b>5,281,448,744</b>
<b>Provisions for risks on non-energy activities</b>	<b>9</b>	<b>(700,577,732)</b>	<b>(749,524,956)</b>
<b>Assets (Liabilities) under disposal</b>	<b>1.5</b>	<b>284,644,271</b>	<b>256,662,964</b>
<b>TOTAL NET INVESTED CAPITAL</b>		<b>4,971,471,665</b>	<b>4,788,586,752</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>6</b>	<b>5,721,872,062</b>	<b>5,701,829,156</b>
<b>NET FINANCIAL DEBT (AVAILABLE FUNDS)</b>	<b>7</b>	<b>(750,400,397)</b>	<b>(913,242,404)</b>
Current financial assets from subsidiaries and affiliated companies (-)		(345,782,512)	(383,126,474)
Non-current financial assets from subsidiaries and affiliated companies (-)		(810,462,629)	(1,153,079,524)
Cash and cash equivalents (-)		(887,005,478)	(1,207,627,090)
Long-term financial debt and other financial liabilities (non-current) (+)		643,610,501	587,044,092
Financial debt and other financial liabilities (current) (+)		153,003,799	236,288,859
Current financial liabilities to subsidiaries and affiliated companies (+)		352,602,482	1,002,689,721
Other non-current liabilities (+) (*)		143,633,440	4,568,012
<b>TOTAL HEDGES</b>		<b>4,971,471,665</b>	<b>4,788,586,752</b>

(\*) This item implements the guidelines issued by ESMA with regard to financial debt and therefore includes other non-current liabilities.

# Notes to the Separate financial statements as at December 31, 2024

# 1. INTRODUCTION

Dear Shareholders,

We submit for your approval the separate financial statements of Edison Spa at December 31, 2024, which consist of an income statement, a statement of other components of comprehensive income, a balance sheet, a cash flow statement, a statement of changes in shareholders' equity and the accompanying notes. The financial statements were drawn up in accordance with the International Financial Reporting Standards IFRS issued by the International Accounting Standards Board (IASB), based on the text published in the Official Journal of the European Communities (OJEC). At its meeting held on February 19, 2025, the Board of Directors authorised the publication of these separate financial statements, which are audited by the company KPMG Spa based on the assignment granted by the shareholders' meeting on April 28, 2020, pursuant to Legislative Decree No. 39 of January 27, 2010, with duration for nine financial years (2020-2028).

The values shown in the Notes to the separate financial statements, unless otherwise stated, are expressed in millions of euros.

## 1.1 Newly applied accounting standards

In preparing the separate financial statements, the accounting standards and valuation criteria applied are consistent with those applied in the preparation of the 2023 separate financial statements.

During the year, certain amendments to IFRSs came into force, applicable for financial years beginning on or after January 1, 2024, which did not have a significant effect on the separate financial statements:

- **IAS 1 "Presentation of Financial Statements"**: the amendments to IAS 1 aim to better define the concept of liabilities and their classification between current and non-current, with a focus on covenants. Failure to comply with a covenant leads to classification of the liability as current, even if the maturity is longer than 12 months, with the obligation to provide detailed disclosure of the associated risks;
- **IFRS 16 "Leases"**: the amendments provide specific clarification on sale and lease back transactions to ensure that the lessor-seller does not recognize gain or loss with respect to the right of use retained by the lessor;
- **IAS 7 "Cash Flow Statement"** and **IFRS 7 "Financial Instruments: Disclosures"**: the amendments clarify the characteristics of supplier financing arrangements (such as reverse factoring instruments) and require greater transparency, as well as a clearer separation between purely trade payables to suppliers and those that include a financing component, with the requirement to provide detailed information in the notes to the financial statements.

For more information on the standards, criteria and methods adopted, refer to the comments in chapter 11. "Valuation Criteria".

## 1.2 Presentation formats adopted by the Company

Edison, based on the numerous projects of the IASB with regard to "Effective Communication", has adopted for some time a presentation method that makes financial reporting more relevant and effective, taking into account the materiality of the information and the expectations of its Stakeholders. For this purpose and in continuity with previous years, the notes to the financial statements have been reviewed and broken down into chapters of similar topics rather than by lines of the financial statements.

The main presentation formats utilized have the following characteristics:

- the **Income Statement** is scalar, with the single items analyzed by nature, and comprises the Statement of Comprehensive Income, which shows the result components outstanding in the shareholders' equity;
- in the **Balance Sheet**, assets and liabilities are analyzed by maturity. Current and non-current items, which are due within or after 12 months after the balance sheet date, respectively, are shown separately;
- the **Cash Flow Statement** is prepared reporting the cash flows in accordance with the "indirect method", as permitted by IAS 7;

- the **Statement of Changes in Shareholders' Equity** shows the flows concerning the components of the reserve for other components of comprehensive income separately;
- a **reclassified balance sheet** has been included on a voluntary basis to supplement these schedules, which allows a more rapid reconciliation with the information provided in the following chapters of the notes to the financial statements.

## 1.3 Application of accounting standard IFRS 5

### 1.3.1 Edison Stocccaggio Disposal

The transaction is classified as a "Non-current asset held for sale and discontinued operations" and therefore IFRS 5 has been applied. The methods and effects ensuing from this presentation are described in more detail in the following section.

#### Classification

It is recalled that in 2023, the investment in Edison Stocccaggio Spa was the subject of strategic evaluations aimed at exploiting its potential to serve a further drive for growth in the Group's strategic sectors. These assessments led to the activation of a process to search for a potential buyer of the entire stake held by Edison Spa. Subsequently, on February 26, 2024, Edison and Snam announced the start of exclusive negotiations for the sale of 100% of Edison Stocccaggio, and on July 25, 2024, the sale agreement was signed. The closing of the transaction is subject to the granting of authorization by the Antitrust Authority and the Presidency of the Council of Ministers and is expected within the first quarter of 2025. Therefore, for the aforementioned reasons, the investment in Edison Stocccaggio Spa was reclassified among Assets held for sale (Discontinued Operations), pursuant to IFRS 5.

#### Valuation

IFRS 5 requires assets and liabilities held for sale to be measured at the lower of the book value and the fair value less costs to sell. In the valuation of the equity investment in Edison Stocccaggio Spa, whose carrying value is 134 million euros, the fair value was estimated to be higher than the carrying value.

Instead, with reference to the determination of the carrying value of the equity investment held for sale, in addition to the values of the assets and liabilities, a portion of the undivided goodwill was also considered, in compliance with the standard; this portion, quantified at approximately 86 million euros, was identified pursuant to IAS 36 par. 86 using the main method of determination provided, i.e. the so-called "relative values" method of the assets sold applied pro rata to the values of the financial statements. Upon disposal, it is expected that the difference between the expected transfer value and the carrying value will result in a positive effect.

#### Presentation of values at December 31, 2024

For the above, in these financial statements, the items referring to the equity investment held in Edison Stocccaggio Spa and recognized as Discontinued Operations regard the following values as at December 31, 2024:

<b>Balance Sheet Discontinued Operations Edison Stocccaggio</b> (in euro)	<b>12.31.2024</b>
Non-current non-financial assets	86,250
Non-current financial assets	134,280
<b>Assets under disposal</b>	<b>220,530</b>
Non-current non-financial liabilities	334
<b>Liabilities under disposal</b>	<b>334</b>

More specifically:

- **assets held for sale**, which amounted to 221 million euros and included the book value of the investment in Edison Stocccaggio Spa calculated as described above;

- **liabilities held for sale** include liabilities to be settled against costs incidental to the sale;
- the **net result from discontinued operations** was negative by about than 1 million euro and is related to the ancillary costs of the sale itself;
- the **cash flow statement** for 2024 has no significant impact with reference to the sale transaction.

It is also noted that intercompany dealings existing between Continuing and Discontinued Operations were treated as dealings between third parties.

### 1.3.2 Edison E&P Disposal

At December 31, 2024, assets and liabilities held for sale include certain residual values relating to the disposal of the equity investment held in Edison E&P Spa in 2020 and treated as Discontinued Operations.

#### Presentation of values at December 31, 2024

For the above, in these financial statements, the residual items referring to the disposal of the equity investment Edison E&P Spa and recognized as Discontinued Operations regard the following values as at December 31, 2024:

Balance Sheet Discontinued Operations Edison E&P (in euro)	12.31.2024
Non-current non-financial assets	93,722
<b>Assets under disposal</b>	<b>93,722</b>
Non-current non-financial liabilities	28,409
<b>Liabilities under disposal</b>	<b>28,409</b>

More specifically:

- **assets held for sale** refer to non-current non-financial assets for 94 million euros (65 million euros at December 31, 2023) and refer to the estimated earn-out, up to a maximum of 100 million dollars, under the contract with Energean;
- **liabilities held for sale** refer to non-current non-financial liabilities of about 28 million euros (unchanged compared to December 31, 2023), and include provisions for tax and environmental risks related to the sale to Energean.

Changes in the year are recognized as offsetting entry in the item "Net result from discontinued operations".

For more information on the disposal transactions concluded with Energean and the effects of the application of IFRS 5, please refer to the Separate Financial Statements of the period 2019-2023.

### E&P business liabilities already divested

#### Disputed municipal property taxes (ICI and IMU) on offshore hydrocarbon production platforms

Following the disposal of the E&P assets and the agreements with the counterparty Energean, Edison Spa has remained liable for any liabilities that may emerge from the demands made by some coastal municipalities to subject offshore platforms to local taxes for years before the locked-box date (December 31, 2018).

At present, for the years 2016 - 2018, disputes are pending against Edison Spa with the municipalities of Cupra Marittima and Scicli, while the dispute with the municipality of Pineto is also pending against Energean alone, with reference also to the years attributable to Edison spa.

Any charges, including pending litigation, arising from existing disputes are covered by a special provision for risks.

### **Ministry for the Environment - request for compensation for environmental damages**

On May 31, 2018, the Ministry for the Environment notified Edison of a claim for compensation for alleged environmental damages deriving from reinjection activities for the Vega 6 well of the aquifer and process waters, operated by the Vega A platform.

The request for compensation is quantified at a total maximum amount of roughly 80 million euros. The civil proceedings at first instance were finalized with ruling no. 3296/2022 of July 19, 2022, whereby the Court of Catania rejected the claims made by the Ministry and, in particular, the claim for compensation for pecuniary equivalent damages.

By a writ of summons on appeal served on Edison on February 18, 2023, the Ministry appealed against the aforementioned first instance ruling before the Court of Appeal of Catania, reformulating substantially the same allegations already made in the first instance.

Edison then filed a cross-appeal to contest the lack of authorization for the re-injection of the fluids in the reservoir as held by the first judge and requesting, in any event, confirmation of the rejection of the Ministry's claim for damages.

The Court of Appeal of Catania issued a judgement rejecting the appeal brought by the Ministry in its entirety. In this judgment, among other things, the Ministry was ordered to reimburse all the parties involved in the litigation for the legal costs settled at both instances, totalling approximately one million euro.

The Ministry of the Environment appealed to the Court of Cassation against the judgment of the Court of Appeal of Catania with an appeal served on October 30, 2024.

The Company and the other individual defendants for whose acts Edison is liable entered an appearance on December 9, 2024.

The facts in question have already been the subject of a criminal procedure declared invalid by the competent court.

Edison believes that this claim for compensation is completely unfounded, since the activities in question are not illegal, rather, on the contrary, authorized according to the applicable regulation, have not produced any environmental damage, nor any risk of geological pollution, or pollution of the aquifer or the sea.

Consequently, the Company appeared in court requesting the full dismissal of the request from the Ministry for the Environment.

Following the agreement reached for the sale of the E&P business in July 2019, the newly formed Edison Exploration & Production Spa ("Edison E&P") assumed the liability related to this dispute. Subsequently, after the agreement was signed for the sale of the entire share capital of Edison E&P to Energean Capital Ltd (executed on December 17, 2020), Edison committed to fully indemnifying the purchaser with reference to this dispute. Therefore, Edison deemed it appropriate, on a completely prudential basis, to forecast an expense correlated with the dispute. This value, together with estimates of other disposal-related expenses, had been recognized in the year 2019 in net income from Discontinued Operations and at December 31, 2024 is included in Liabilities held for sale.

### 1.3.3 Sale of Sesto San Giovanni business unit

On November 29, 2024, Edison Spa and A2A Calore & Servizi Srl signed a preliminary purchase and sale contract for the sale of the business unit called Sesto San Giovanni and located in the same municipality in the Milan hinterland. The business unit consists mainly of a cogeneration thermoelectric power plant, four steam boilers and several adjoining and functionally interconnected buildings. All of the business unit's land are currently undergoing environmental remediation. Specifically, the sale of the unit will involve the establishment of a newco to which the assets and obligations of the unit will be transferred, with the exception of the reclamation decrees, which will be transferred to the buyer A2A Calore & Servizi. Assets and Liabilities held for sale related to the aforementioned preliminary contract are summarized below (IFRS 5 *disposal group*).

<i>(in thousands of euros)</i>	<b>12.31.2024</b>
<b>ASSETS</b>	
Property, plant and equipment	13,739
Deferred-tax assets	6,809
<b>Total non-current assets</b>	<b>20,548</b>
Inventories	487
<b>Total current assets</b>	<b>487</b>
<b>Assets held for sale</b>	
<b>Total assets</b>	<b>21,035</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
Employee benefits	100
Provision for decommissioning and remediation of industrial sites	3,263
Provision for environmental risks	16,149
Long-term financial debt	14
<b>Total non-current liabilities</b>	<b>19,526</b>
Other current liabilities	2,368
Current financial payables	6
<b>Total current liabilities</b>	<b>2,374</b>
<b>Liabilities held for sale</b>	
<b>Total liabilities and shareholders' equity</b>	<b>21,900</b>

## 1.4 Extraordinary transactions

### 1.4.1 Merger by incorporation of Edison Reggane Spa and Jesi Energia Spa

Pursuant to Articles 2502 and 2505 of the Civil Code, Edison Spa has incorporated Edison Reggane Spa and Jesi Energia Spa (both sole shareholder companies subject to the management and coordination of Edison Spa).

The merger took effect on June 1, 2024 with accounting and tax effects from January 1, 2024.

The transaction was accounted for on a continuity of values basis and a merger surplus was recognized in a special reserve in the shareholders' equity of Edison Spa.

The tables below outlines its effects:

<i>(in thousands of euros)</i>	<b>12.31.2024</b>
Shareholders' equity as at 1 January 2024 of Edison Reggane Spa	2,894
Equity investment value	200
<b>Surplus from merger as at 1 January 2024</b>	<b>2,694</b>

<i>(in thousands of euros)</i>	<b>12.31.2024</b>
Shareholders' equity as at 1 January 2024 of Jesi Energia Spa	2,936
Equity investment value	2,381
<b>Surplus from merger as at 1 January 2024</b>	<b>555</b>

### 1.4.2 Merger by incorporation of Cellina Energy Srl

Also pursuant to Articles 2502 and 2505 of the Civil Code, Edison Spa has incorporated Cellina Energy Srl (a sole shareholder company subject to the management and coordination of Edison Spa).

The merger took effect on November 1, 2024 with accounting and tax effects from January 1, 2024.

The transaction was accounted for on a continuity of values basis and a merger surplus was recognized in a special reserve in the shareholders' equity of Edison Spa.

The table below outlines its effects:

<i>(in thousands of euros)</i>	<b>12.31.2024</b>
Shareholders' equity as at 1 January 2024 of Cellina Energy Srl	187,268
Equity investment value	170,960
<b>Surplus from merger as at 1 January 2024</b>	<b>16,308</b>

### 1.4.3 Establishment and Transfer of Edison Regea Srl

On March 14, 2024, Edison Regea Srl was established, with share capital of 1 million euro fully subscribed and paid in by Edison Spa on March 8, 2024. The purpose of the new company is the design, coordination, management and execution of environmental interventions and services.

This transaction is part of the corporate reorganization process and its objective is to concentrate, rationalize and enhance the skills, resources, structures and activities in the Edison group's portfolio in the reclamation and environmental regeneration sector.

On June 17, 2024, a resolution was passed for the contribution in kind by Edison Spa of the environmental activities business unit, effective as of July 1, 2024. This contribution also includes the ownership in Nuova Alba Srl and Tre Monti Srl.

The following table illustrates the effects on the balances in Edison Spa of the contribution and the consequent realignment of the value of the investment in Edison Regea Srl previously recognized:

<i>(in thousands of euros)</i>	07.01.2024
<b>ASSETS</b>	
Property, plant and equipment	76
Equity investments	1,573
Deferred-tax assets	4,546
<b>Total non-current assets</b>	<b>6,195</b>
Other current assets	1
Current financial assets from subsidiaries and affiliated companies	16,240
<b>Total current assets</b>	<b>16,241</b>
<b>Total assets</b>	<b>22,436</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
Provisions for risks on non-energy activity disputes	16,295
<b>Total non-current liabilities</b>	<b>16,295</b>
Other current liabilities	94
Current financial payables	2
<b>Total current liabilities</b>	<b>96</b>
<b>Total liabilities and shareholders' equity</b>	<b>16,391</b>

At the same time, a partial demerger from Edison Next Spa to Edison Regea Srl was carried out, resulting in a reclassification of the value of the investment from Edison Next Spa to Edison Regea Srl in the amount of about 4 million euros. At December 31, 2024, the value of the investment in Edison Regea Srl was therefore 11 million euros.


## 2. PERFORMANCE

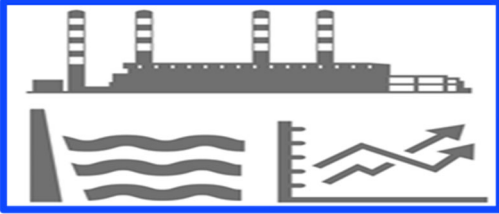
### 2.1 Core business of the Parent Company


Within the different Group companies, the Parent Company Edison Spa is responsible for the strategic direction, planning, control, financial management, risk and the coordination of activities.

More specifically:

- in the Corporate & Environmental Remediation segment provides Group companies with business support and operating activity support services, such as administrative, tax, legal, procurement, personnel management, information technology and communication services, as well as risk management, through the management of financial derivatives relating to energy commodities, in order to optimize the available resources and make efficient use of existing know-how, providing subsidiaries with use of spaces for offices and for operating areas, as well as services relating to their use. These services are governed by the appropriate intercompany service agreements; this segment also includes environmental remediation and decontamination of polluted areas deriving from activities historically attributable to the former Montedison;


- in the Generation & Flexibility segment, even through subsidiaries, it manages the generation of thermoelectric and hydroelectric power stations, purchases, sells and trades electricity as well as electricity transport capacity and makes the relative sales to the wholesale market on forward markets as well as spot markets in Italy and abroad;


- in the Gas Supply & Development of Green Gases segment, it works in the importing of gas based on long-term contracts and the sale of natural gas for thermoelectric uses, and carries out buying and selling activities in the wholesale market, including through the contracting of fossil fuel storage and transport capacity and the relative rights. In the midstream gas segment, it is present along with international partners with several important projects for the development of foreign gas transport infrastructure, and in Italy in the Small Scale LNG supply chain. Furthermore, with reference to the business model which calls for the separation of retail segment sales activities (residential and industrial market);


- Edison Spa also provides its subsidiaries Edison Energia Spa and Edison Next, which are part of the Clients & Services segment, with the energy and gas needed to meet their requirements, optimizing their supply in terms of both volume and price.

## 2.2 Key events

In addition to the more detailed comments made in the Management section of Management, Sustainability and Governance Report with reference to the events that characterized 2024 for Edison Spa, the main transactions are described below.

### **Edison admitted by the Revenue Agency to the collaborative compliance regime**

January 18, 2024 - Edison announces that it has been admitted to the Collaborative Tax Compliance regime promoted by the Revenue Agency. Aligned with the OECD recommendations on "Cooperative Compliance", this framework facilitates proactive communication and cooperation between the tax administration and the taxpayer. The aim is to reduce uncertainty regarding situations that may pose fiscal risks, thereby preventing the emergence of disputes.

For the Company and the Edison group, entry into this regime represents an important recognition of the commitment to the continuous improvement of processes and the internal control and risk management system, particularly taxation. The admission comes, in fact, as a result of the positive assessment carried out by the tax authorities on the Tax Control Framework (TCF), the system adopted by Edison some years ago for the detection, management, control and mitigation of tax risks.

### **S&P Global Ratings revises the Edison outlook from stable to positive and confirms the rating at BBB/A-2**

June 7, 2024 - Edison informs that the rating agency S&P Global Ratings has changed the outlook from stable to positive and confirmed the rating at BBB/A-2. The rating action reflects the corresponding change in the EDF SA outlook (BBB/Positive/A-2, from BBB/Stable/A-2) and the Edison strong operational and financial performance.

### **Edison ready to develop offshore wind power with Wind Energy Pozzallo**

June 26, 2024 - Edison, leading company in the energy transition in Italy, announces that it has signed an agreement with Blunova SpA (Carlo Maresca Group), a leading company active in the development and construction of renewable energy plants, for the joint development of a floating offshore wind project in Italy. Under the agreement, Edison enters Wind Energy Pozzallo Srl by acquiring 50% of its shares.

Wind Energy Pozzallo is the owner of a project for the development of an offshore, floating wind farm, with an installed capacity of 975 MW, off Pozzallo, Sicily, more than 25 km from the coast, which is currently undergoing authorization at the MASE. The plant will significantly contribute to national targets for growth in new installed renewable capacity and to the decarbonisation of electricity generation (estimated to avoid the emission of more than 780,000 tonnes/year of CO<sub>2</sub>). Moreover, its creation will generate significant revenue during the construction phase (expected in three years) and during the operational and maintenance phase of at least 30 years.

### **Edison and Webuild: industrial alliance for the development of hydroelectric pumping in Italy**

July 10, 2024 - Edison and Webuild signed a program agreement for the development of hydroelectric pumping projects, a highly strategic infrastructure for the ecological transition and national energy security. Under the terms of the agreement, Edison and Webuild will enter into close cooperation for the definition and realization of the pumping projects at Pescopagano (PZ) in Basilicata and Villarosa (EN) in Sicily developed by Edison.

The two pumping projects are part of the Edison strategy for the growth of renewable energy in Italy, which plans to increase the Group's installed green capacity to 5 GW (from the current 2 GW) by 2030, and jointly to build at least 500 MW of storage facilities as necessary tools for not dispersing the renewable energy produced at times of increased availability and ensuring the security of the electricity grid.

The two initiatives, in addition to the construction of new reservoirs and major engineering works completely underground to ensure the greatest compatibility with the territory, envisage the use of existing reservoirs, on which work will have to be carried out to restore the full functionality of the infrastructures, increasing both their safety levels and the volumes of water that can be stored, also for further public use and to combat drought. The Pescopagano and Villarosa projects are awaiting the conclusion of authorization procedures at the Ministry of the Environment and Energy Security (MASE) and concession procedures at the respective regions, with the aim of participating in the first

competitive auctions, organized by Terna, to acquire new storage capacity through long-term supply contracts, within the framework of the Storage Term Market (MACSE) regulations, which are currently being defined.

### **Edison sells Edison Stoccaggio to Snam and focuses on the energy transition**

July 25, 2024 - Edison announces that it has signed an agreement for the sale of 100% of Edison Stoccaggio to the Snam Group. The transaction will provide Edison with up to 630 million euros for the asset - considering the price as well as the satisfaction of specific earn-out clauses and the payment of the accrued ticking fee - resources that will be allocated to the development of low-CO<sub>2</sub> emission activities.

### **Venture Global will begin deliveries to Edison no earlier than April 2025**

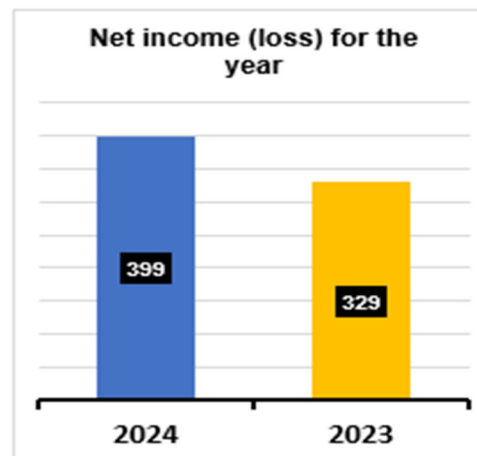
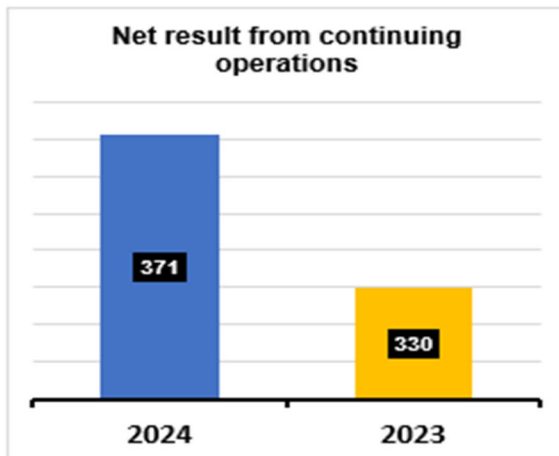
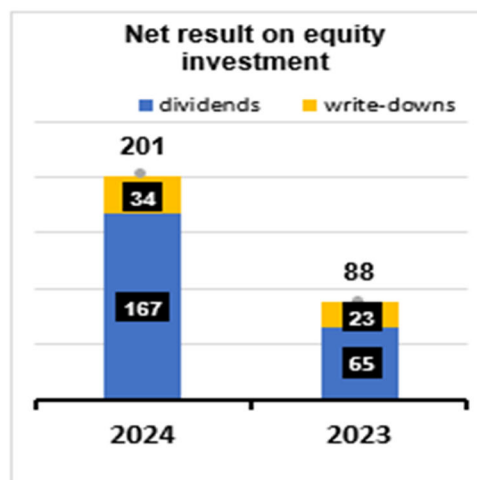
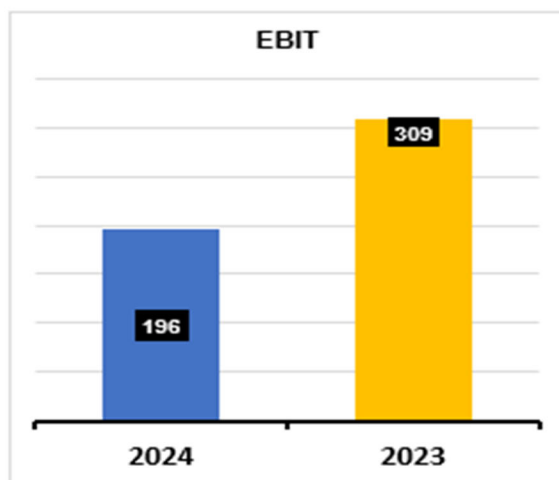
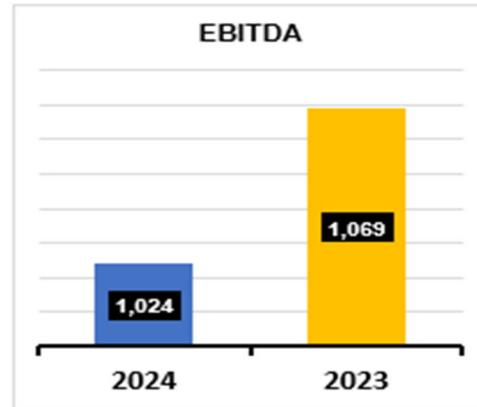
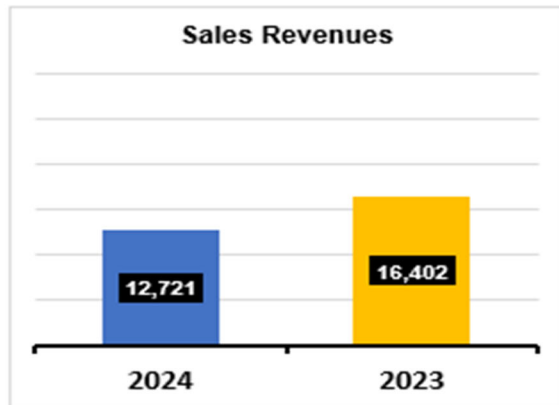
October 14, 2024 – Edison announces that has notified the Group that LNG deliveries to Edison from the Calcasieu Pass facility will not begin before April 2025. Venture Global and Edison signed a 20-year contract for LNG cargoes in September 2017. Despite the contract, Venture Global did not begin deliveries to Edison, citing technical problems with the plant. For this reason, Edison initiated international arbitration against Venture Global for breach of contract.

### **Edison: a new state-of-the-art power plant in Campania**

October 22, 2024 – Edison delivers a new, state-of-the-art combined cycle thermoelectric power plant to the country, representing excellence in Italian technological and energy innovation. The new plant is located in Presenzano, in the province of Caserta. Alongside its twin plant in Porto Marghera (Veneto), inaugurated by Edison last year, it stands among the most advanced and efficient power plants globally and is the most efficient in Italy. With the construction and commissioning of this second combined cycle plant, Edison confirms its leadership role in the energy transition and security of the national energy system, committed to achieving the decarbonization targets set by the PNIEC. The construction of the Presenzano power plant required an investment of more than 450 million euros and almost four years of work, with the involvement of more than 1,200 workers and 130 supplier companies, 50% of which came from the Campania region. The plant has an installed capacity of 770 MW and is able to meet the equivalent annual needs of more than 1,500,000 households. The power plant uses a GT36 H-class high-efficiency natural gas turbine developed by Ansaldo Energia, which achieves an energy efficiency of around 63%, one of the highest in Europe and the highest in Italy, ensuring a reduction in specific carbon dioxide emissions of up to 30% compared to the average of Italy's current thermoelectric park. In addition, the power plant has a very high environmental performance, guaranteeing nitrogen oxide (NOx) emissions that are more than 60% lower than existing plants of a similar size, as well as a limited use of water resources thanks to the adoption of air cooling systems. The plant is named after Flavio Crescentini, an Edison manager who died prematurely and who played a crucial role as the person responsible for the start-up and commissioning of the previous combined cycle plants developed by Edison from 1992 onwards.

## 2.3 Highlights

(in million euros)



### 2.3.1 Sales revenues

<i>(in millions of euros)</i>	<b>2024 financial year</b>	<b>2023 financial year</b>	Change	% change
Natural gas	6,324	6,557	(233)	(4.0%)
Electricity	4,527	6,183	(1,656)	(27.0%)
Realised commodity derivatives	1,704	3,483	(1,779)	(51.0%)
Steam	29	33	(4)	(12.0%)
Environmental securities	36	23	13	57.0%
Other revenues and services	101	123	(22)	(18.0%)
<b>Total sales</b>	<b>12,721</b>	<b>16,402</b>	<b>(3,681)</b>	<b>(22.0%)</b>

**Sales revenues** totalled 12,721 million euros, down compared with fiscal year 2023 (16,402 million euros). They should be compared with a similar change in commodity and logistics costs, were generated primarily in Italy. The change is primarily attributable to:

- gas sales revenues came in at 6,324 million euros, down 4% compared to 2023. This reduction is mainly due to the price scenario, which was only partly offset by higher sales volumes;
- revenues from electricity sales amounted to 4,527 million euros, down 27% compared to 2023 essentially due to the contraction in the price scenario; in particular, the thermoelectric segment showed a volume trend in line with the previous year, with the new high-efficiency plants at Marghera Levante and Presenzano offsetting the lower production of the remaining thermoelectric park; the hydroelectric segment benefited from increased volumes compared to last year, mainly due to the high hydraulicity that occurred for a good part of the year.

The results achieved from commodity derivatives, to be analyzed together with the corresponding item, included in "Costs for commodities and logistics", regard hedges on commodities and foreign exchanges put into place to manage the risk of swings in the cost of natural gas as well as risks related to its sale, consistent with the index formulas and risk factors included therein.

### 2.3.2 Commodity and logistics costs

<i>(in millions of euros)</i>	<b>2024 financial year</b>	<b>2023 financial year</b>	Change	% change
Natural gas	6,309	6,968	(659)	(9.5%)
Realised commodity and foreign exchange derivatives	1,371	3,103	(1,732)	(55.8%)
Electricity	2,044	3,301	(1,257)	(38.1%)
Transmission	887	796	91	11.4%
Regasification fee	145	112	33	29.5%
Environmental securities	391	458	(67)	(14.6%)
Utilities and others materials	22	18	4	22.2%
Changes in inventories	(9)	150	(159)	n.m.
<b>Total commodity and logistics costs</b>	<b>11,160</b>	<b>14,906</b>	<b>(3,746)</b>	<b>(25.1%)</b>

Commodity and logistics costs of 11,160 million euros were also considerably lower than in the previous year (14,906 million euros), partly reflecting the phenomena commented on sales revenues.

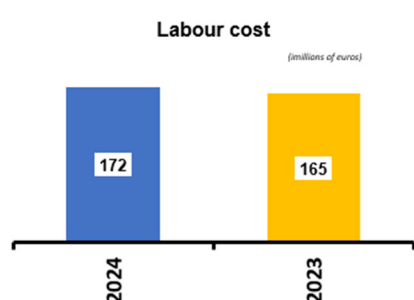
The item Regasification Fees of 145 million euros includes the charges attributed to regasification terminals and increased due to both the increase in regasification capacity slots and the effect of tariffs.

### 2.3.3 Other costs and services used

<i>(in millions of euros)</i>	2024 financial year	2023 financial year	Change	% change
Plant maintenance	47	53	(6)	(11.3%)
Professional services	79	67	12	17.9%
Insurance services	24	20	4	20.0%
Costs for rents and leases	204	119	85	71.4%
Others	65	48	17	35.4%
<b>Total other costs and external services</b>	<b>419</b>	<b>307</b>	<b>112</b>	<b>36.5%</b>

The increase in lease and rental costs is mainly due to the increase in hydroelectric concessions fees and ancillary costs related to two LNG carriers, recognized in leased tangible fixed assets IFRS 16.

### 2.3.4 Labor cost



Costs for personnel came to 172 million euros, marking an increase from 165 million euros in 2023. This change was caused by the increase in the average headcount in 2024 by 142 compared to the average value in 2023 as well as the change in the cost of labour due to the effects of salary and contractual policies.

<i>(number of employees)</i>	Start of the year	Incoming	Outgoing	Changes of classification	Other changes (*)	Reclass of disposal assets (**)	End of the year	Average number 2024	Average number 2023	% change
Managers	134	1	(7)	9	(2)	-	135	134	132	1.4%
Middle managers	471	27	(19)	19	(7)	(1)	490	484	451	7.4%
Office staff	809	133	(39)	(17)	12	(16)	882	877	801	9.5%
Production staff	169	22	(9)	(11)	18	(1)	188	187	157	19.4%
<b>Total</b>	<b>1,583</b>	<b>183</b>	<b>(74)</b>	<b>-</b>	<b>21</b>	<b>(18)</b>	<b>1,695</b>	<b>1,682</b>	<b>1,540</b>	<b>9.2%</b>

(\*) include changes with other Edison group companies.

(\*\*) relates to the personnel of the Sesto San Giovanni business unit.

### 2.3.5 Other revenues and income and Other costs

<b>Other revenues and income</b> <i>(in millions of euros)</i>	2024 financial year	2023 financial year	Change	% change
Release of provisions for other risks	3	11	(8)	(72.7%)
Insurance and contractual compensation	23	9	14	155.6%
Revenues for MASA agreement	12	16	(4)	(25.0%)
Recovery of costs, out-of-period income and sundry items	79	83	(4)	(4.8%)
<b>Total other revenues and income</b>	<b>117</b>	<b>119</b>	<b>(2)</b>	<b>(1.7%)</b>

It should be noted that:

- the **release of provisions for various risks** (reversing to income) refers in particular to those of an operational nature, set aside in previous years to cover any charges which are considered extinguished in the period under review;
- **revenues from the MASA agreement** amounting to 12 million euros (16 million euros in 2023) include the results of the activities carried out under the MASA joint venture agreement in place with EDF Trading, as described in paragraphs 4.1 "Market risks and risk management" and 10.2 "Intragroup and related party transactions";

- **cost recovery** mainly refers to insurance costs and personnel loans recharged to investee companies, while **contingent assets** mainly include the active items realized against adjustments relating to previous years in both the gas and electricity sectors, and finally the **other revenues** includes the sublease of the LNG carrier.

<b>Other expenses</b> <i>(in millions of euros)</i>	<b>2024 financial year</b>	<b>2023 financial year</b>	Change	% change
Accruals to provisions for risks	14	12	2	16.7%
Indirect taxes and fees	10	11	(1)	(9.1%)
Other	40	54	(14)	(25.9%)
<b>Total other expenses</b>	<b>64</b>	<b>77</b>	<b>(13)</b>	<b>(16.9%)</b>

More specifically:

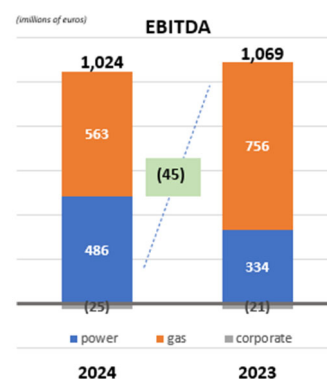
- **accruals to provisions for risks** primarily refer to possible future charges connected with tariff risks, as well as legal and fiscal disputes;
- **indirect taxes and fees** include IMU costs of 9 million euros;
- the **Other** item mainly includes insurance costs and miscellaneous expenses to be recharged, the offsetting entry of which can be found under "Other revenues and income - Cost recovery" as well as contingent liabilities related to costs from previous years.

### 2.3.6 EBITDA

In a context of contraction in energy commodity prices compared to 2023, the gross operating margin stands at 1,024 million euros, with a slight decrease compared to the 2023 financial year (1,069 million euros).

In detail, as regards the individual sectors, note the following:

- in the **Gas Supply & Development of Green Gases segment**, EBITDA amounted to 563 million euros, a decrease compared to 2023, attributable to reducing gas prices and opportunities to optimise portfolio assets;
- in the **Generation & Flexibility segment**, EBITDA was a positive 486 million euros, up compared to 2023. Energy sales from renewable sources achieved a significantly higher result compared to last year, especially in the hydroelectric segment, as a result of the high hydraulicity that occurred for a large part of the year, which offset the declining trend in the thermoelectric segment due to less favorable market conditions;
- in the **Corporate & Environmental Remediation segment**, which brings together central and transversal management activities, i.e. not directly linked to the specific business, the gross operating margin for the 2024 financial year is negative by 25 million euros and in 2024, shows an worsening trend compared to 2023, mainly related to an increase in legal expenses during the year, only partially offset by a redefinition of service contracts with the operating units. It should be noted that the year 2023 benefited from proceeds related to tax disputes and various risks, which were not present in the current year.

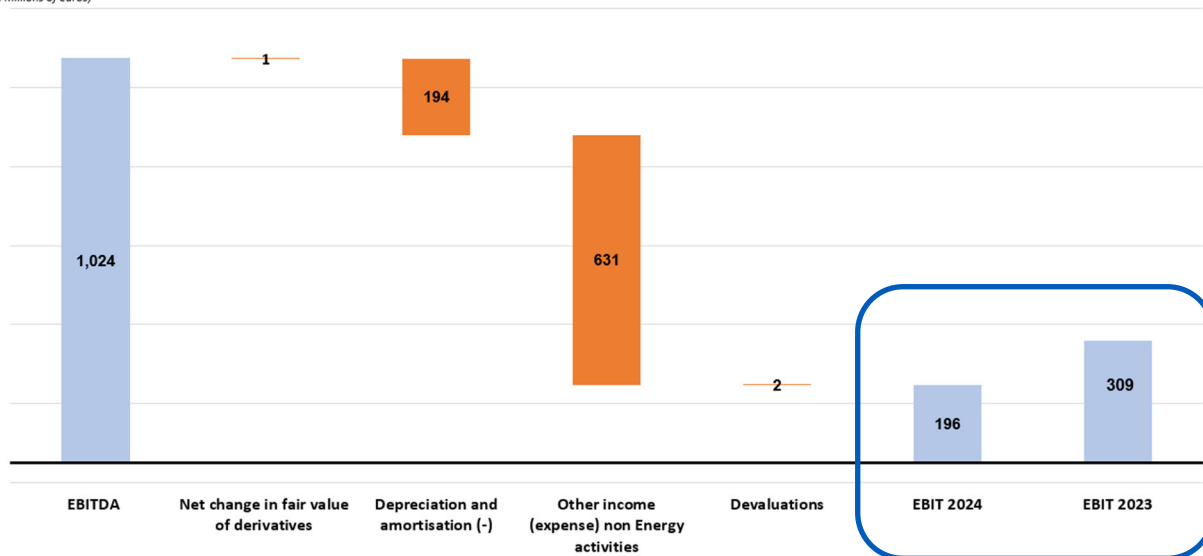


For the sake of comprehensiveness, for a more significant representation of the operating EBITDA of the individual segments<sup>1</sup>, the values shown also include intercompany transactions, i.e., those between the different segments of the Company such as the sale of gas to the thermoelectric power plants on the basis of the volumes consumed, and costs for centralised services in the corporate segment but charged back to the operating Business Units.

<sup>1</sup> The "Operating" EBITDA of the individual segments is not verified by the Independent Auditors.

## 2.3.7 EBIT

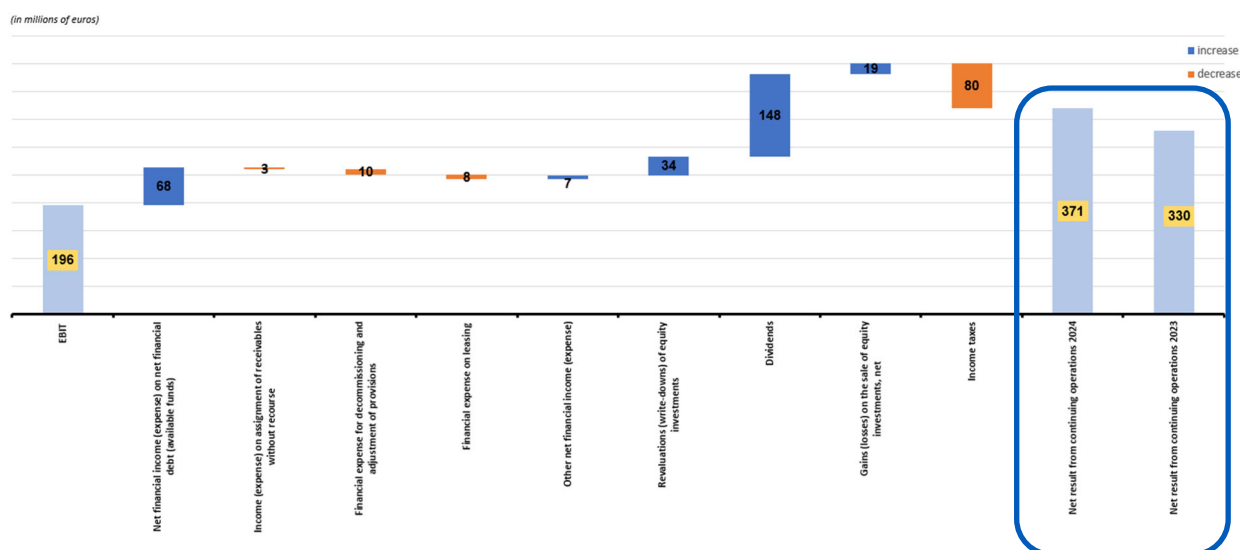
(in millions of euros)



**EBIT** was a positive 196 million euros (positive for 309 million euros in 2023) and includes, in addition to the industrial effects previously described in EBITDA, also:

- 194 million euros for **depreciation and amortization** (157 million euros in 2023) (for more information, see chapter 5. "Invested capital and provisions"), mainly increased due to merger contributions during the year and the commissioning of the Presenzano gas-fired combined-cycle thermoelectric power plant;
- 631 million euros for **other net non-Energy expenses** (other net expenses in 2023 came to 553 million euros), connected with expenses not directly related to industrial and financial operations, and essentially related to disputes and reclamation works concerning the former Montedison group (for more information, see chapter 9. "Non-energy activities"), approximately 13 million euros for legal expenses are also included;
- 1 million euro, the negative impact connected with the **net change in fair value of derivatives on commodities and foreign exchange rates** (negative for 50 million euros in 2023) (for more information, see chapter 4. "Market risk management").

## 2.3.8 Profit (loss) from continuing operations



In detail, the main items refer:

- for approximately 68 million euros to net financial income relating to the financial debt (62 million euros net in financial year 2023), of which mainly (for further information see the information in chapter 7):
  - 81 million euros in financial income from subsidiaries and associates (80 million euros in 2023) and 52 million euros in financial income from EDF Sa from current account balances;
  - net of 41 million euros in financial expenses due to subsidiaries and associates (34 million euros in 2023), 17 million euros in interest expenses due to banks (13 million euros in 2023), and 9 million euros in financial expenses due to the parent company Transalpina di Energia;
- about 3 million euros (5 million in 2023) for charges on the assignment of receivables without recourse;
- about 10 million euros (5 million in 2023) mainly for the adjustment of **decommissioning provisions** and the discounting of provisions for risks (details provided in chapter 5 and 9);
- about 8 million euros in **lease costs** (8 million in 2023) as a result of the adoption of the IFRS 16 accounting standard;
- for approximately 7 million euros in various components, including 12 million euros in net exchange gains (7 million euros in net losses in 2023), mainly referring to hedges on exchange rate risk hedging operations in place with EDF Sa, and 5 million euros in **other net financial expenses** (4 million euros of other net financial income in 2023);
- for approximately 34 million euros in **net revaluations of equity investments** (net revaluations of 23 million euros in 2023) (for further information see the information in chapter 5);
- 148 million euros for **dividends from investee companies** (55 million euros in 2023) (for more information, see chapter 5);
- for 19 million euros a **gain from the sale of equity investments** (10 million euros in 2023), which refers mainly to the proceeds received by Alperia Spa in the arbitration proceedings brought a few years ago by Edison on the sale of its equity investment in Cellina Energy Spa.

(in million euros)	2024 financial year	2023 financial year	Changes
Other financial income (expense)	(5)	4	(9)
Exchange gains/(losses)			
Foreign exchange translation gains:	58	111	(53)
- amount with EDF	47	62	(15)
- amount with others	11	49	(38)
Foreign exchange translation losses:	(46)	(118)	72
- amount with EDF	(21)	(84)	63
- amount with others	(25)	(34)	9
Total exchange gains/(losses)	12	(7)	19
Total other net financial income/(expense)	7	(3)	10

- for 80 million euros from **income taxes** (108 million euros in 2023), consisting mainly of 67 million euros from IRES and 36 million euros from IRAP.  
It also includes net charges for taxes related to previous years in the amount of 19 million euros and net deferred/prepaid taxes, which show a positive balance of 4 million euros (for more information, see chapter 8).

### 2.3.9 Profit (loss) for the year

The profit for the year 2024 of Edison Spa was 399 million euros (loss of 329 million euros in 2023).

The result of the financial year includes the net positive effect of approximately 28 million euros from discontinued operations, mainly determined by the adjustment of the estimated earn-out of the additional consideration provided for in the contract with Energean. For more information, see the chapter "1.3.2 Disclosures on IFRS 5 - Edison Stoccaggio E&P".

## 3. NET WORKING CAPITAL

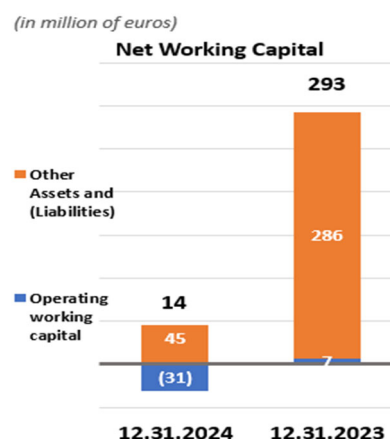
### 3.1. Credit risk management

The credit risk represents Edison Spa's exposure to potential losses that could be incurred if a commercial or financial counterpart fails to meet its obligations. To control this risk, Edison Spa has implemented procedures and programs designed to evaluate customer credit worthiness and optimized collection strategies for the various customer segments.

The significant increase in commodity price volatility recorded in previous years, also as a result of the geopolitical context connected to international conflicts, contributed to increasing exposure to credit risk. The actions implemented by the Company made it possible to mitigate this risk.

When choosing counterparties for transactions to manage temporary excess liquidity or execute financial hedging contracts (derivatives), Edison Spa deals only with entities with a high credit rating.

At December 31, 2024, there were no significant exposures to risks related to a possible further deterioration of the overall financial environment and/or significant concentrations with individual non-institutional counterparties.



### 3.2 Operating Working Capital

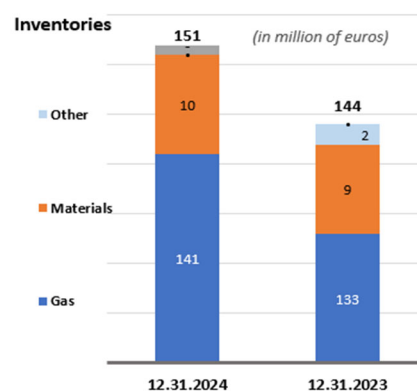
(in millions of euros)	12.31.2024	12.31.2023	Changes
Inventories (+)	151	144	7
Trade receivables (+)	1,749	1,646	103
Current trade payables (-)	(1,921)	(1,706)	(215)
Non-current trade payables (-)	(10)	(77)	67
<b>Operating Working Capital</b>	<b>(31)</b>	<b>7</b>	<b>(38)</b>

The change in operating working capital shows a decrease compared to December 31, 2023, which is largely attributable to the decrease in energy commodity prices, partially offset by higher gas inventories.

#### 3.2.1 Inventories

They amount to 151 million euros, and are made up of gas inventories for 141 million euros net of a write-down of 2 million euros (133 million euros at December 31, 2023 net of a write-down of 5 million euros) and materials and equipment for the maintenance and operation of plants in operation for 10 million euros (substantially unchanged compared to December 31, 2023). The increase is mainly due to a volume effect and lower inventory write-downs compared to the previous year.

Gas inventories include 5 million euros in quantities of natural gas stored subject to restricted use, as a guarantee.



### 3.2.2 Trade receivables

<i>(in million of euros)</i>	12.31.2024	12.31.2023	Changes
<b>Total trade receivables</b>	<b>1,749</b>	<b>1,646</b>	<b>103</b>
<i>Broken down as follows:</i>			
- amount owed to outsiders	1,195	1,119	76
- amount owed to subsidiaries and affiliated companies	554	527	27
<b>Total trade receivables</b>	<b>1,749</b>	<b>1,646</b>	<b>103</b>
<b>of which provision for doubtful debt</b>	<b>(23)</b>	<b>(24)</b>	<b>1</b>
<b>Guarantees to cover outstanding loans</b>	<b>127</b>	<b>32</b>	<b>95</b>
<b>Overdue receivables</b>			
<b>Within 6 months</b>	<b>1</b>	<b>1</b>	<b>-</b>
<b>6 to 12 months</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Over 12 months</b>	<b>19</b>	<b>20</b>	<b>(1)</b>

They refer, in particular, to contracts for the supply of electricity and steam and to contracts for the supply of natural gas, to Group companies and to Terna, GSE and GME.

**Receivables from subsidiaries and affiliated companies** relate almost entirely to gas and electricity sales to the subsidiary Edison Energia for sale on the end market.

The Company regularly disposes of trade receivables on a monthly revolving basis and through the transfer without recourse of the credit risk. In the 2024 financial year, these transactions were carried out for a total value of 454 million euros (803 million euros at December 31, 2023) and at December 31, 2024, they are not subject to recourse risk. The costs related to managing these activities are recorded under financial items and amount to 3 million euros.

The **provision for doubtful debt** totalled 23 million euros, down compared with December 31, 2023. The table below shows the changes occurred during the year 2024:

<i>(in millions of euros)</i>	Values at 12.31.2023	Provisions	Utilizations	Values at 12.31.2024
<b>Total</b>	<b>24</b>	<b>-</b>	<b>(1)</b>	<b>23</b>

**Provisions** derive from the valuation, in application of the Edison group policy, of the different credit statuses taking into account the customer segment, the relative past due and aging and the methodology provided for by the IFRS 9 accounting principle (so-called Expected credit losses model); **utilisations** were made on the basis of the credit statuses of the individual customers, taking into account the value of the amount of the relevant credit.

### 3.2.3 Current and non-current trade payables

<i>(in millions of euros)</i>	12.31.2024	12.31.2023	Changes
<b>Total trade payables of which:</b>	<b>1,931</b>	<b>1,783</b>	<b>148</b>
- current	1,921	1,706	215
- non-current	10	77	(67)
<i>Broken down as follows:</i>			
- amount owed to outsiders	1,864	1,698	166
- amount owed to subsidiaries and affiliated companies	67	85	(18)
<b>Total</b>	<b>1,931</b>	<b>1,783</b>	<b>148</b>

Trade payables reflect mainly purchases of natural gas deriving from long-term contracts, purchases of electric power and other utilities, and services related to plant maintenance. They also include a contractual fee as a result of an agreement signed with a counterparty for the long-term supply of gas.

### 3.3 Other assets and liabilities

<i>(in millions of euros)</i>	12.31.2024	12.31.2023	Changes
VAT receivable from the tax administration	4	4	-
Guarantee deposits	18	15	3
Other receivables	2	2	-
<b>Total other non-current assets (A)</b>	<b>24</b>	<b>21</b>	<b>3</b>
Receivables for technical, admin. and financial services to Group companies	150	244	(94)
VAT receivable from the tax administration	168	42	126
Sundry advance account receivables	36	39	(3)
VAT pool receivables	27	33	(6)
Other	74	115	(41)
<b>Total other current assets (B)</b>	<b>455</b>	<b>473</b>	<b>(18)</b>
<b>of which provision for doubtful debt</b>	<b>(5)</b>	<b>(2)</b>	<b>(3)</b>
Others (*)	144	5	139
<b>Total other non-current liabilities (C)</b>	<b>144</b>	<b>5</b>	<b>139</b>
Amount owed to employees	38	40	(2)
Payables to social security and welfare institutions	24	23	1
Other taxes payable	5	4	1
VAT pool payables	13	13	-
Other	354	127	227
<b>Total other current liabilities (D)</b>	<b>434</b>	<b>207</b>	<b>227</b>
<b>Total net working capital (A+B-D)</b>	<b>45</b>	<b>287</b>	<b>(242)</b>
<b>Total other assets/liabilities (A+B-C-D)</b>	<b>(99)</b>	<b>282</b>	<b>(381)</b>
<i>Of which subsidiaries and affiliated companies</i>			
- Other current assets	177	277	(100)
- Other current liabilities	2	23	(21)

(\*) the item is classified in the net financial position, implementing the guidelines issued by ESMA.

#### Receivables for technical, admin. and financial services to Group companies

These mainly concerned for 79 million euros to the charge-backs of the effects of the renewable energy hedges referred to in the Decree Law on Support-Ter and the 2023 "cap 180" decree, for 41 million euros to receivables for administrative services, and for 3 million euros to receivables for derivatives (for further information, see chapter 4. "Market risk management").

#### Other current assets

In particular, **other assets** include receivables for charges on certain derivatives, amounting to 14 million euros, which were realized on December 31, 2024, but settled financially at the beginning of January 2025, and whose value was also affected by the price scenario compared to the year 2023 (for further information, see chapter 4. "Market risk management").

#### Other non-current liabilities

They include 140 million euros in liabilities to third parties to be settled in 2026 which are included in the financial debt.

#### Other current liabilities

**Other liabilities** mainly include:

- other payables amounting to 146 million euros to third parties;
- liabilities for state fees of 105 million euros, which increased compared to the previous year due to the provision for the additional fee on hydroelectric concessions;
- payables for charges on certain derivatives, amounting to 26 million euros, which were realized on December 31, 2024, but settled financially at the beginning of January 2025;
- payables related to the Sostegni-Ter Decree amounting to 48 million euros.

## 4. MARKET RISK MANAGEMENT

This chapter provides a description of the policies and principles adopted by Edison Spa to manage and control the commodity price risk, tied to the volatility of the prices of energy commodities and environmental securities, the foreign exchange risk linked to commodities and other risks correlated with the exchange rate.

As required by IFRS 7 Financial Instruments - Disclosures, the paragraphs that follow provide information about the nature of risks resulting from financial instruments, based on an analysis of an accounting or managerial nature.

The effects on the income statement and balance sheet at December 31, 2024 are also provided.

### 4.1 Market risks and risk management

#### 4.1.1 Commodity Price Risk and Exchange Rates Risk Related to Commodity Transactions

Edison Spa is exposed to the risk of fluctuations in the prices of all of the energy commodities that it handles (electric power, natural gas, petroleum products and environmental securities), both directly, with pricing formula, and indirectly, through statistical correlations and economic relations, which have an impact on the revenues and expenses of its production, storage and marketing operations. Moreover, because some contracts are settled in currencies different from euros and/or include a translation into different currencies through price indexing formulas, the Company is also exposed to exchange rate risk.

The management and control of commodity price and exchange rate risk related to commodity transactions, governed by the Energy Risk Policies, involve the use of derivatives for hedging purposes in order to reduce or mitigate the related risk, balancing the changes in economic value of the underlying hedged item with those deriving from the use of such instruments.

From an organizational standpoint, the governance model adopted by the Group requires the separation of the risk control and management functions from the derivatives trading activity.

At the operational level, the net exposure is computed for the Company's entire portfolio of assets and contracts (so-called Industrial Portfolio), which is the net residual exposure after maximizing all available vertical and horizontal integrations provided by the different business operations. This net exposure is then used to compute the overall level of Economic Capital involved (stated in millions of euros), measured in terms of Profit at Risk (PaR<sup>2</sup>) with a confidence index of 97.5% and an annual time horizon.

Each year, the Board of Directors approves the Economic Capital at Group level ceiling concurrently with the approval of the annual budget. The Hedging Pricing and Counterparty Committee, which is headed by Senior Management, reviews monthly the Group's net exposure and, if the Profit at Risk is higher than the predetermined ceiling, defines the appropriate Strategic Hedging policies, which may involve the use of suitable derivatives instruments. These activities are performed in line with the policy of the Group with the aim to minimize the use of financial markets for hedging, by maximizing the benefits of vertical and horizontal integration of the various business operations and the homogenization of the formulas and indexing between the sources and physical uses. In addition, the gradualness of Strategic Hedging ensure the minimization of the execution risk, related to the concentration of all the hedges in a phase of unfavourable market, the volume risk, linked to the variability of the underlying hedged based on the best volume projections, and of the operational risk, related to implementation errors.

Provided transactions are approved in advance by the Risk Office, which determines whether they are consistent with the risk management objectives and with the Group's total exposure, the Company, responding to specific requests from individual Business Units, may also use other types of hedges called Operational Hedges with the aim to fix the margin related to a single transaction or to limited set of transactions correlated.

The unrealized derivatives at December 31, 2024 are measured at fair value with reference to the market forward curve at the reporting date, if the derivative underlying is traded in markets that have official and liquid forward price

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<sup>2</sup> Profit at Risk: is a statistical measurement of the maximum potential negative variance in the budgeted margin in response to unfavourable markets moves, within a given time horizon and confidence interval.

quotations. If the market has no such forward quotations, forecast price curves based on internal simulation models developed by Edison group are employed.

The Italian forward market for electric power does not yet meet IFRS requirements to qualify as an active market. Specifically, both the Over The Counter (OTC) markets operated by brokerage firms (e.g. TFS), the markets operated by the German Stock Exchange (EEX) and those operated Borsa Italiana (IDEX) and by the Manager of the Energy Markets (MTE) lack sufficient liquidity for peak and off-peak products and for maturities longer than one year. Consequently, market price data obtained from those markets should be viewed as input for the internal valuation model used to measure at fair value the aforementioned products.

For the derivatives that provide hedging for the Industrial Portfolio, which qualify part as cash flow hedges or fair value hedges pursuant to IFRS 9 and part as economic hedges, a simulation is performed to measure the potential impact that fluctuations in market prices of the underlying item could have on the fair value of the outstanding derivatives, pursuant to IFRS 7. The simulation is performed with reference to the time period of the residual life of the derivative contracts in place, whose maximum term is currently 2028.

For all derivative contracts in place as at December 31, 2024, the methodology makes use of the forward prices of commodities and exchange rates, recorded at the reporting date, and of the associated volatilities and correlations.

Once a probability distribution of changes in fair value is thus obtained, it is possible to extrapolate the maximum expected negative variance in the fair value of the outstanding derivatives, over the time horizon corresponding to the reporting year, for a given level of probability, conventionally set at 97.5%.

The following table shows the maximum expected negative variance in the fair value of the outstanding hedging derivative contracts on commodities and exchanges by the end of 2025, compared with the fair value determined at December 31, 2024.

<b>Value at Risk (VaR) (in million euros)</b>	<b>12.31.2024</b>	<b>12.31.2023</b>
Maximum expected variance in the fair value (*)	295.7	528.7

(\*) Estimated with a level of probability of 97.5%.

The decrease in the maximum change in fair value compared to December 31, 2024, is primarily connected to the decrease in volatility and the reduction in volumes of derivatives traded in the energy markets in which the Company operates. In other words, compared with the fair value determined for hedging derivatives outstanding at December 31, 2024, the probability of a negative variance greater than 296 million euros by the end of 2025 is limited to 2.5% of the scenarios.

For derivatives qualified as fair value hedges, also considering the change in the fair value of the hedged contracts, the above-mentioned maximum expected variance value is reduced from 296 million euros to 115 million euros.

Period hedging allowed the Company's risk management objectives to be achieved, reducing the commodity price risk profile of the Industrial Portfolio to within the approved economic capital limit. The table below shows the risk profile of the Industrial Portfolio in terms of the absorption of economic capital:

<b>Industrial Portfolio Economic capital absorption</b>	<b>2024 financial year</b>		<b>2023 financial year</b>	
	<b>without derivatives</b>	<b>with derivatives</b>	<b>without derivatives</b>	<b>with derivatives</b>
Average absorption of the approved economic capital limit	53%	30%	91%	38%
Maximum absorption	109% - Jan. '24	54% - Feb '24	221% - Jan '23	80% - Jan. '23

In 2024, Edison Spa's trading operations are conducted within the framework of the joint venture agreement with EDF Trading: with effect from 1 January 2023, in fact the agreement which had been in force since September 2017, between EDF Trading and Edison Spa (formerly Edison Trading Spa merged into Edison Spa on 1 December 2017), or the MASA (Trading Joint Venture and Market Access Services Agreement) which, like the previous agreement, regulates both proprietary trading activities, carried out through a joint desk with EDF Trading, both the access activities to the power forward market for which the access methods and costs have been revised.

### 4.1.2 Foreign Exchange Risk

The foreign exchange risk arises from the fact that part of the activities of the Edison group are carried out in currencies other than euros or are influenced by changes in foreign exchange rates through contractual components indexed to a foreign currency. Revenues and expenses denominated in foreign currencies can be affected by fluctuations in foreign exchange rates that have an impact on sales margins (economic risk). Likewise, the amount of trade and financial payables and receivables denominated in foreign currencies can be affected by the translation rates used, with an impact on profit or loss (transactional risk).

The foreign exchange risk management objectives are described in specific Policies.

The exposure to economic and transaction risk arising from exchange rate, related to commodity transactions, is also managed in accordance with the above-mentioned specific limits and strategies.

## 4.2. Hedge accounting and economic hedges – Fair value hierarchy

Whenever possible, Edison uses hedge accounting, provided the transactions comply with the requirements of IFRS 9.

### 4.2.1 Classification

Forward transactions and existing derivatives can be classified as follows:

- 1) **derivatives that qualify as hedges in accordance with IFRS 9**: this category includes (i) transactions that hedge the risk of fluctuations in cash flow (Cash Flow Hedge – CFH) on exchange rates and commodities and (ii) transactions that hedge the fair value of the hedged item (Fair Value Hedge – FVH) on commodities (price and exchange rate);
- 2) **forward transactions and derivatives that cannot be defined as hedges pursuant to IFRS 9**, meeting the requirements of compliance with Company risk management policies on exchange rates and on energy commodities.

### 4.2.2 Fair value hierarchy according to IFRS 13

The classification of financial instruments at fair value, provided by IFRS 13, based on the reliability of inputs used to measure it, is based on the following hierarchy:

- **Level 1**: determination of fair value based on quoted prices (unadjusted) for identical assets or liabilities in active markets. Instruments with which Edison group operates directly in active markets (e.g. futures) are included in this category;
- **Level 2**: determination of fair value based on inputs other than the quoted prices of Level 1 but which are directly or indirectly observable (e.g. forward contracts or swaps in futures markets);
- **Level 3**: determination of fair value based on valuation models with inputs not based on observable market data (unobservable inputs). At December 31, 2024, this level includes a category of derivative instruments used to reduce the zonality risk of the power market.

The valuation of financial instruments can entail significant subjective judgements. However, Edison uses prices quoted in active markets, when available, as the best estimate of the fair value of all derivatives.

## 4.3 Effects of derivative transactions on the Income Statement and Balance Sheet at December 31, 2024

### 4.3.1 Effects of derivative transactions on Income Statement at December 31, 2024

(in million euros)	12.31.2024			12.31.2023		
	Realized	Fair value change for the year	Values recorded in the income statement as at 12.31.2024	Realized	Fair value change for the year	Values recorded in the income statement as at 12.31.2023
	(A)	(B)	(A+B)	(C)	(D)	(C+D)
<b>Result from price risk and exchange risk hedges for commodities of which:</b>						
<b>Total definables as hedges pursuant to IFRS 9 (CFH) (*)</b>	(27)	(23)	(50)	(146)	30	(116)
Price risk hedges for energy products	(32)	(23)	(55)	(144)	30	(114)
Exchange risk hedges for commodities	5	-	5	(2)	-	(2)
<b>Total definables as hedges pursuant to IFRS 9 (FVH)</b>	<b>1,065</b>	<b>10</b>	<b>1,075</b>	<b>1,549</b>	<b>(19)</b>	<b>1,530</b>
Price risk hedges for energy products	1,060	(406)	654	1,520	699	2,219
Exchange risk hedges for commodities	5	18	23	29	(41)	(12)
Fair value physical contracts	-	398	398	-	(677)	(677)
<b>Total not definables as hedges pursuant to IFRS 9</b>	<b>(705)</b>	<b>12</b>	<b>(693)</b>	<b>(1,022)</b>	<b>(61)</b>	<b>(1,083)</b>
Price risk hedges for energy products	(717)	12	(705)	(1,056)	(61)	(1,117)
Exchange risk hedges for commodities	12	-	12	34	-	34
<b>Total price risk and exchange risk hedges for commodities (A)</b>	<b>333</b>	<b>(1)</b>	<b>332</b>	<b>381</b>	<b>(50)</b>	<b>331</b>
<b>TOTAL INCLUDED IN EBIT (A)</b>	<b>333</b>	<b>(1)</b>	<b>332</b>	<b>381</b>	<b>(50)</b>	<b>331</b>

Result from exchange rate hedges:

Definables as hedges pursuant to IFRS 9 (CFH)	25	-	25	(25)	-	(25)
Not definables as hedges pursuant to IFRS 9	1	-	1	-	-	-
<b>Total exchange rate hedges (B)</b>	<b>26</b>	<b>-</b>	<b>26</b>	<b>(25)</b>	<b>-</b>	<b>(25)</b>
<b>TOTAL INCLUDED IN THE OTHER NET FINANCIAL INCOME (EXPENSE) (B)</b>	<b>26</b>	<b>-</b>	<b>26</b>	<b>(25)</b>	<b>-</b>	<b>(25)</b>

(\*) Includes the ineffective part

### Focus on the Net change in fair value of derivatives

The following table shows the impact on the income statement of changes in the fair value of derivatives in 2024 and 2023, respectively negative for 1 million euro and negative for 50 million euros.

Net change in fair value of derivatives (in million euros)	Definable as hedges (CFH) (*)	Definable as hedges (FVH)	Not definable as hedges	Total change in fair value
<b>2024</b>				
Price risk hedges for energy products	(23)	(406)	12	(417)
Exchange risk hedges for commodities	-	18	-	18
Change in fair value in physical contracts (FVH)	-	398	-	398
<b>Total 2024 financial year</b>	<b>(23)</b>	<b>10</b>	<b>12</b>	<b>(1)</b>
<b>2023</b>				
Price risk hedges for energy products	30	699	(61)	668
Exchange risk hedges for commodities	-	(41)	-	(41)
Change in fair value in physical contracts (FVH)	-	(677)	-	(677)
<b>Total 2023 financial year</b>	<b>30</b>	<b>(19)</b>	<b>(61)</b>	<b>(50)</b>

(\*) Refers to the ineffective part

### 4.3.2 Effects of derivative transactions on Balance Sheet at December 31, 2024

The table below provides details of the Fair value recorded in Balance Sheet and classification by IFRS 13. As at December 31, 2024, net payables are recognised referring to transactions in derivatives measured at fair value for 75 million euros, a significant part carried out with EDF Trading Ltd.

(in million euros)	12.31.2024			12.31.2023		
	Receivables	Payables	Net	Receivables	Payables	Net
- Other assets / liabilities (current portion)	540	(643)	(103)	1,050	(1,271)	(221)
- Other assets / liabilities (non current portion)	52	(24)	28	184	(156)	28
<b>Fair Value recognised as assets or liabilities (a)</b>	<b>592</b>	<b>(667)</b>	<b>(75)</b>	<b>1,234</b>	<b>(1,427)</b>	<b>(193)</b>
<i>of which of (a) related to:</i>						
- Exchange rate risk management	67	(3)	64	29	(21)	8
- Commodity risk management	413	(600)	(187)	1,128	(979)	149
- Fair value on physical contracts	112	(64)	48	77	(427)	(350)
Broken down on fair value hierarchy:						
- Level 1	29	(44)	(15)	51	(62)	(11)
- Level 2	560	(623)	(63)	1,183	(1,364)	(181)
- Level 3 (*)	3	-	3	-	(1)	(1)
<b>IFRS 7 Potential offsetting (b)</b>	<b>(102)</b>	<b>102</b>		<b>244</b>	<b>(244)</b>	<b>-</b>
<b>Potential Net Fair Value (a+b)</b>	<b>490</b>	<b>(565)</b>	<b>(75)</b>	<b>1,478</b>	<b>(1,671)</b>	<b>(193)</b>

(\*) The fair value classified at level 3 is recognized in CFH reserve

Please note that the receivables and payables shown are offset in shareholders' equity by a positive cash flow hedge reserve amounting to 10 million euros, before the applicable deferred taxes (positive for 64 million euros at December 31, 2023).

### Instruments outstanding at December 31, 2024

The tables that follow provide an illustration of the information listed below:

- the fair value hierarchy applied;
- derivatives that were outstanding, classified by maturity;
- the value at which these contracts are reflected on the balance sheet, which is their fair value.

### A) Interest Rate and Foreign Exchange Rate Risk Management

(in million euros)	Fair value hierarchy (***)	December 31, 2024								December 31, 2023				
		Notional amount (*)								Balance sheet value (**)	Notional amount (*)		Balance sheet value (**)	
		due within 1 year		due between 2 and 5 years		due after 5 years		Total			Total			
		to receive	to pay	to receive	to pay	to receive	to pay	to receive	to pay	to receive	to pay			
<b>Foreign exchange rate risk management</b>														
<b>A. Cash Flow Hedge pursuant to IFRS 9:</b>														
- on commercial transactions	2	941	-	128	-	-	-	-	1,069	-	43	523	-	4
- on financial transactions	2	-	-	-	-	-	-	-	-	-	-	170	-	(5)
<b>B. Fair Value Hedge pursuant to IFRS 9:</b>														
- on commercial transactions	2	-	-	-	-	-	-	-	-	-	13	-	-	(5)
<b>C. contracts that do not qualify as hedges in accordance with IFRS 9, to hedge margins:</b>														
- on commercial transactions	2	21	(78)	-	-	-	-	21	(78)	8	12	(27)	-	14
- on financial transactions	2	-	-	-	-	-	-	-	-	-	1	-	-	-
<b>Total exchange rate derivatives</b>		<b>962</b>	<b>(78)</b>	<b>128</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,090</b>	<b>(78)</b>	<b>64</b>	<b>706</b>	<b>(27)</b>	<b>-</b>	<b>8</b>

(\*) Represents the sum of the notional amounts of the basic contracts that would result from an unbundling of complex contracts.

(\*\*) Represents the net receivable (+) or payable (-) recognised on the balance sheet following the measurement of derivatives at fair value

(\*\*\*) For the definition see the previous paragraph "Fair Value hierarchy according to IFRS 13".

**B) Commodity Risk Management**

(in million euros)		December 31, 2024					December 31, 2023	
Price risk hedges for energy products	Fair value hierarchy (***)	Notional amount (*)				Balance sheet value (**) (in million euros)	Notional amount (*)	Balance sheet value (**) (in million euros)
		Unit of measurement	due within 1 year	due within 2 years	due in more than two years			
<b>A. to hedge cash flows (Cash Flow Hedge) pursuant to IFRS 9 of which:</b>								
						(30)		89
- Electric power	1/3	TWh	(4)	-	-	(4)	(1)	(1)
- Natural gas	1/2	Millions of therms	176	106	46	328	339	96
- LNG and oil	2	Millions of barrels	3	-	-	3	2	(2)
- CO <sub>2</sub>	1	Millions of tonnes	3	-	-	3	2	(4)
<b>B. to cover fair value pursuant to IFRS 9 (Fair Value Hedge)</b>						(60)	-	348
- Natural gas	2	Millions of therms	(203)	-	-	(203)	(494)	379
- OIL	2	BBL	4	-	-	4	5	(31)
<b>C. not definable as a hedge pursuant to IFRS 9, to cover the margin:</b>						(97)	-	(288)
- Electric power	2	TWh	-	-	-	-	(1)	(12)
- Natural gas	2	Millions of therms	(156)	(29)	-	(185)	73	(276)
- LNG and oil	2	Millions of barrels	-	-	-	-	-	-
- CO <sub>2</sub>	1	Millions of tonnes	-	-	-	-	-	-
<b>Totale</b>						<b>(187)</b>	<b>-</b>	<b>149</b>

(\*) + for purchase balance, - for sales balance

(\*\*) Represents the credit (+) or the net debt (-) recorded in the balance sheet following the fair value measurement of the derivatives

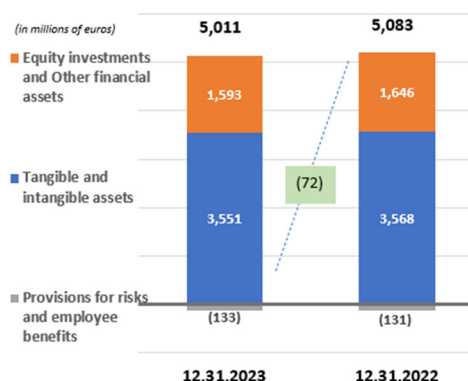
(\*\*\*) For the definitions see the previous paragraph "Fair Value hierarchy according to IFRS 13"

Derivatives classified as “level 3” regard hedges intended to reduce price risk in the Italian electricity market and are classified as cash flow hedges. The valuation is based on models that simulate the functioning of the domestic market on the basis of actual data. An impact of 1 million on the income statement is reported relating to the ineffective part (positive of about 23 million in 2023).

## 5. FIXED ASSET, FINANCIAL ASSETS AND PROVISIONS

Edison Spa is the operating holding of the Edison group, and through the assets held directly rather than those owned by the companies in which it directly or indirectly holds equity investments, it operates throughout the electricity and natural gas business segment from upstream to downstream, and in the energy efficiency services segment.

The invested capital thus consists of both goodwill and productive assets - for the most part large-scale directly operated thermoelectric and hydroelectric production plants - and equity investments in companies which are almost all subsidiaries, as well as the provisions for operational risks.



**Invested capital** net provisions decreased by 72 million euros during the year, mainly due to the following combined effect:

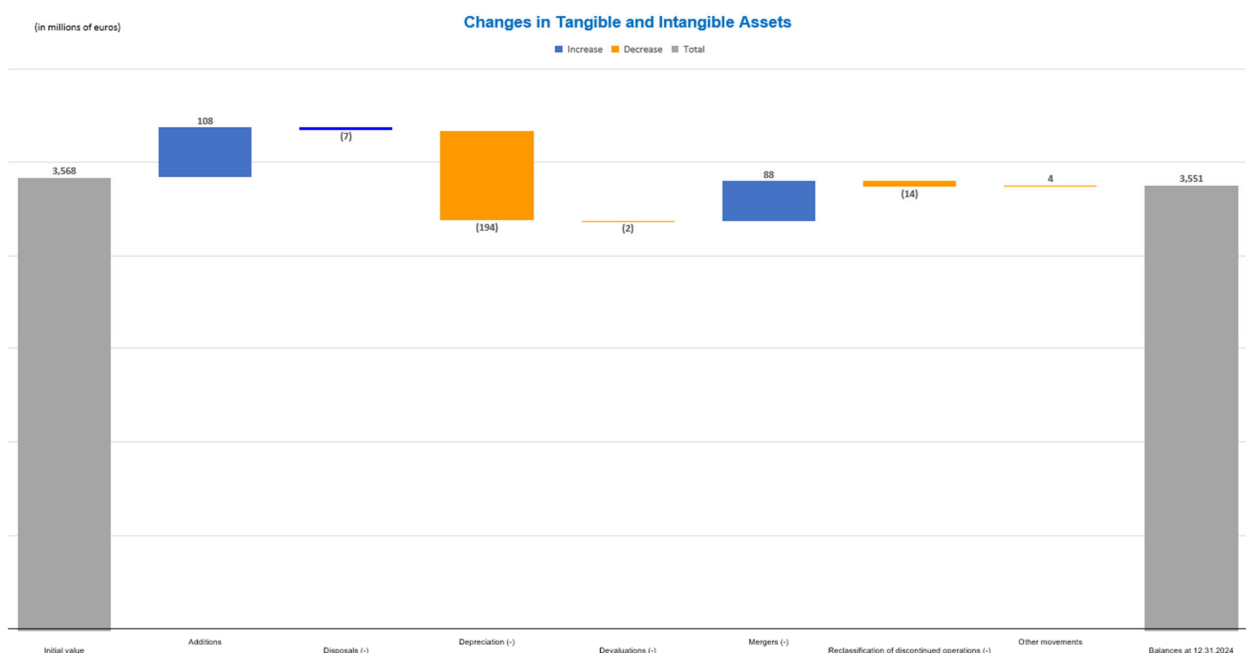
- investments in tangible and intangible assets net of depreciation and amortization for the year;
- investments in financial assets of approximately 82 million euros, net write-backs of 35 million euros and mergers of 174 million euros.

Provided below are details of the changes that occurred in 2024.

### 5.1 Tangible, intangible assets and goodwill

(in millions of euros)	Property, plant and equipment	Intangible Assets	Leased tangible fixed assets IFRS 16 (*)	Goodwill	Total
<b>Opening balances at 12.31.2023 (A)</b>	<b>1,828</b>	<b>77</b>	<b>205</b>	<b>1,458</b>	<b>3,568</b>
<b>Changes at December 31, 2024:</b>					
- acquisitions	87	21	-	-	108
- disposals (-)	(7)	-	-	-	(7)
- amortization/depreciation (-)	(140)	(21)	(33)	-	(194)
- write-downs (-)	(2)	-	-	-	(2)
- additions from merger	88	-	-	-	88
- reclassification to assets held for sale (-)	(14)	-	-	-	(14)
- other changes	-	1	3	-	4
<b>Total changes (B)</b>	<b>12</b>	<b>1</b>	<b>(30)</b>	<b>-</b>	<b>(17)</b>
<b>Balances at 12.31.2024 (A+B)</b>	<b>1,840</b>	<b>78</b>	<b>175</b>	<b>1,458</b>	<b>3,551</b>

(\*) Recorded as required by IFRS 16; the relative financial debt is exposed in "Non-current financial payables" (157 million euros) and in "Current financial payables" (30 million euros).



### Commitments on non-current assets

Commitments of 43 million euros (72 million euros in 2023) were made for the completion of ongoing investments, of which 4 million euros for hydroelectric plants and 37 million euros for thermoelectric plants.

#### 5.1.1 Property, plant and equipment

**Property, plant and equipment** refers primarily to land and buildings, as well as the assets located there for the production of electricity, consisting of natural gas combined cycles and hydroelectric power stations.

	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Payments on account and assets under construction	Investment property	Total
<i>(in millions of euros)</i>							
<b>Opening balances at 12.31.2023 (A)</b>	<b>224</b>	<b>1,055</b>	<b>1</b>	<b>4</b>	<b>540</b>	<b>4</b>	<b>1,828</b>
Changes at December 31, 2024:							
- acquisitions	1	18	-	1	67	-	87
- disposals (-)	(3)	(1)	-	-	(1)	(2)	(7)
- amortization/depreciation (-)	(11)	(128)	-	(1)	-	-	(140)
- write-downs (-)	(2)	-	-	-	-	-	(2)
- additions from merger	19	67	-	-	2	-	88
- reclassification to assets held for sale (-)	(10)	(2)	-	-	(2)	-	(14)
- other changes	56	478	1	-	(535)	-	-
<b>Total changes (B)</b>	<b>50</b>	<b>432</b>	<b>1</b>	<b>-</b>	<b>(469)</b>	<b>(2)</b>	<b>12</b>
<b>Balances at 12.31.2024 (A+B)</b>	<b>274</b>	<b>1,487</b>	<b>2</b>	<b>4</b>	<b>71</b>	<b>2</b>	<b>1,840</b>
of which:							
- historical cost	516	4,485	9	18	71	3	5,102
- write-downs (-)	(55)	(613)	-	-	-	-	(668)
- amortization/depreciation (-)	(187)	(2,385)	(7)	(14)	-	(1)	(2,594)
<b>Net value</b>	<b>274</b>	<b>1,487</b>	<b>2</b>	<b>4</b>	<b>71</b>	<b>2</b>	<b>1,840</b>

The main changes that occurred during the year are reviewed below:

- **acquisitions**, amounting to 87 million euros, mainly refer to investments for extraordinary maintenance of gas-fired combined-cycle thermoelectric power plants (about 61 million euros), and some hydroelectric power plants (about 21 million euros), as well as the new mini-hydro plant called Montalto2, which started operation in November (about 5 million euros);

- the item **reclassification to assets held for sale** includes the reclassification to discontinued operations of the fixed assets related to the Sesto San Giovanni business unit (for more information, see paragraph 1.3 “Application of accounting standard IFRS 5”);
- the item **additions from merger** reflects the effects of mergers as described in paragraph 1.4 “Extraordinary transactions”;
- **depreciation and amortization** amounted to 140 million euros, up from the previous year (108 million euros) mainly due to higher depreciation related to merged assets (for more information, see paragraph 1.4 “Extraordinary transactions”) and the commissioning of the Presenzano gas-fired combined-cycle thermoelectric power plant in January.

The balance of **investment property** refers to land and buildings that are not used for production activities.

The net value of **property, plant and equipment** includes **assets transferable without consideration** attributable mainly to Edison’s hydroelectric operations, which holds 48 concessions. A breakdown is as follows:

Freely transferable assets (in millions of euros)	Buildings and other assets	Plant and machinery	Total
<b>Opening balances at 12.31.2023 (A)</b>	<b>3</b>	<b>29</b>	<b>33</b>
Changes at December 31, 2024			
- acquisitions	-	3	3
- amortization/depreciation (-)	-	(13)	(13)
- additions from merger	-	34	34
- other changes	-	2	2
<b>Total changes (B)</b>	<b>-</b>	<b>26</b>	<b>26</b>
<b>Balances at 12.31.2024 (A+B)</b>	<b>3</b>	<b>55</b>	<b>59</b>
of which:			
- historical cost	7	422	429
- depreciation (-)	(4)	(367)	(371)
<b>Net value</b>	<b>3</b>	<b>55</b>	<b>58</b>

The table below provides a **disclosure about the concessions** held by the Company recognized in other intangible assets:

	Number	Residual life (years)	
		from	to
Hydroelectric concessions	48	1	27

### 5.1.2 Leased tangible fixed assets IFRS 16

(in millions of euros)	Land and buildings	Plant and machinery	Other assets	Total
<b>Opening balances at 12.31.2023 (A)</b>	<b>64</b>	<b>139</b>	<b>2</b>	<b>205</b>
Changes at December 31, 2024:				
- amortisation/depreciation (-)	(11)	(21)	(1)	(33)
- other changes	1	2	-	3
<b>Total changes (B)</b>	<b>(10)</b>	<b>(19)</b>	<b>(1)</b>	<b>(30)</b>
<b>Balances at 12.31.2024 (A+B)</b>	<b>54</b>	<b>120</b>	<b>1</b>	<b>175</b>

The item "Land and Buildings" refers mainly to the leased buildings of the Foro Buonaparte office in Milan; the item "Plant and Machinery" includes LNG carriers.

### 5.1.3 Intangible assets

<i>(in millions of euros)</i>	Concessions, licences, patents and similar rights	Other intangible assets	Work in progress and advances	<b>Total</b>
<b>Opening balances at 12.31.2023 (A)</b>	<b>35</b>	<b>34</b>	<b>8</b>	<b>77</b>
Changes at December 31, 2024:				
- acquisitions	14	1	6	21
- amortization/depreciation (-)	(19)	(2)	-	(21)
- other changes	6	1	(6)	1
<b>Total changes (B)</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>Balances at 12.31.2024 (A+B)</b>	<b>36</b>	<b>34</b>	<b>8</b>	<b>78</b>
of which:				
- historical cost	148	41	8	197
- write-downs (-)	(1)	(1)	-	(2)
- amortization/depreciation (-)	(111)	(6)	-	(117)
<b>Net value</b>	<b>36</b>	<b>34</b>	<b>8</b>	<b>78</b>

The item "Other intangible assets" mainly includes 27 million euros for the gas supply contract from the Shah Deniz II field in Azerbaijan. Additions during the year include the capitalization of expenses for the implementation and updating of network applications and the acquisition of software licences.

### 5.1.4 Goodwill

The value of 1,458 million euros is unchanged from the previous year and represents an intangible asset with an undefined useful life and, therefore, it is not subject to systematic amortization, but rather to impairment testing at least once a year.

As indicated in note 5.1.5 below, the impairment test carried out pursuant to IAS 36 did not reveal any impairment loss.

### 5.1.5 Impairment Test in Accordance with IAS 36 Applied to the Value of Goodwill, Property, Plant and Equipment and Other Intangibles and Equity Investments

The impairment test conducted pursuant to IAS 36 did not reveal any write-downs at the level of the CGU, nor at the level of goodwill, while net write-backs of equity investments were recorded for a value of 26 million euros (see comment in paragraph 5.2 "Equity investments and other non-current financial assets").

As previously mentioned, in the 2024 Consolidated Financial Statements, the Group's Segment Information has been redefined in accordance with IFRS 8, replacing the historical operating segments, Electric Power Operations and Gas Operations, with three business areas: Generation & Flexibility, Gas Supply & Development of Green Gases and Clients & Services. This new breakdown, it should be recalled, is aligned with the Group's strategic axes and is consistent with the management reporting.

The impairment process was structured in line with this new representation and in particular the CGU were re-analyzed for the purpose of impairment test of assets with some non-material reallocations between and within Businesses; it should be noted that the new Hydrogen and Biomethane CGU has been identified into which the green gases development activity has been merged.

The results of the test and the sensitivities carried out are commented on below, while for the methodology used, please refer to as fully described in chapter 11. "Valuation criteria".

The global macroeconomic context related to the geopolitical crisis, inflation and fluctuating commodity prices was dynamic and changing in 2024, while interest rates showed a gradual decline from the previous year.

The principal assumptions used in the test are as follows:

- In preparing the reference scenario for the Italian electricity market, in continuity with last year's test, account was taken of the results of the electricity generation capacity remuneration auctions (so-called Capacity Payments), which were held in July and December in respect of allocations for the years 2025 and 2026; for subsequent years, more conservative rates than those currently recognized were estimated based on the

remaining useful life of the assets (with the exception of new thermoelectric plants, for which a period of no more than 15 years was assumed);

- As far as hydroelectric concessions are concerned, it was assumed that expired or expiring concessions would be extended until 2025, taking into account the extension provided for by Law 118/2022 "Annual market and competition law 2021"; given the uncertain context regarding reallocation auctions, compensation values were estimated on the basis of the residual value of so-called dry works;
- The WACC used in the 2024 impairment test are lower for most CGU than those used last year, mainly due to lower interest rates. The WACC benchmarks are 7.2% for the Generation & Flexibility business area (7.7% in 2023 with the same business area configuration), between 7.7% and 10.2% for the Gas Supply & Development of Green Gases business area (between 9.0% and 10.9% in 2023 with the same business area configuration, with the exception of the new CGU Hydrogen and Biomethane).

Specifically for the goodwill test, in addition to the hypotheses set out above, a long-term growth rate of between 0 and 1.5% was assumed in determining the terminal value, depending on the specifics of the individual businesses of the Group.

Overall, the recoverable amount of goodwill is higher than the carrying value.

To support the analyses developed from the test, sensitivity analyses were also conducted to highlight the impact on the recoverable amounts of the assets as specific assumptions change. In particular, the theoretical impact was analysed of the non-renewal of the capacity remuneration mechanism (so-called Capacity Payment) at the end of the periods in which Edison is already an assignee (2027 for existing plants and after 15 years for new plants).

Sensitivity was performed with all other scenic conditions being equal. The overall impact on the recoverable amount of the CGU Generation & Flexibility is a reduction of about 200 million euros.

A further simulation was also carried out assuming the non-renewal of hydroelectric concessions upon their expiry, considering the repayment of the so-called dry works by the successor. The overall impact for the CGU Generation & Flexibility is a reduction in recoverable value of about 300 million euros.

Both sensitivities show no impairment.

With regard to goodwill, certain key variables were tested using Montecarlo simulations to identify the recoverable value. In addition to determining the reference recoverable value, the simulation quantifies the possible deviations from this value associated with swings in the variables considered and the statistical probability of these variations. Considering a reasonable interval, the Group's recoverable value would have a relative change, however, marginal (in the range between +/- 2.5%) equal to approximately 200 million euros and without impact by way of write-down.

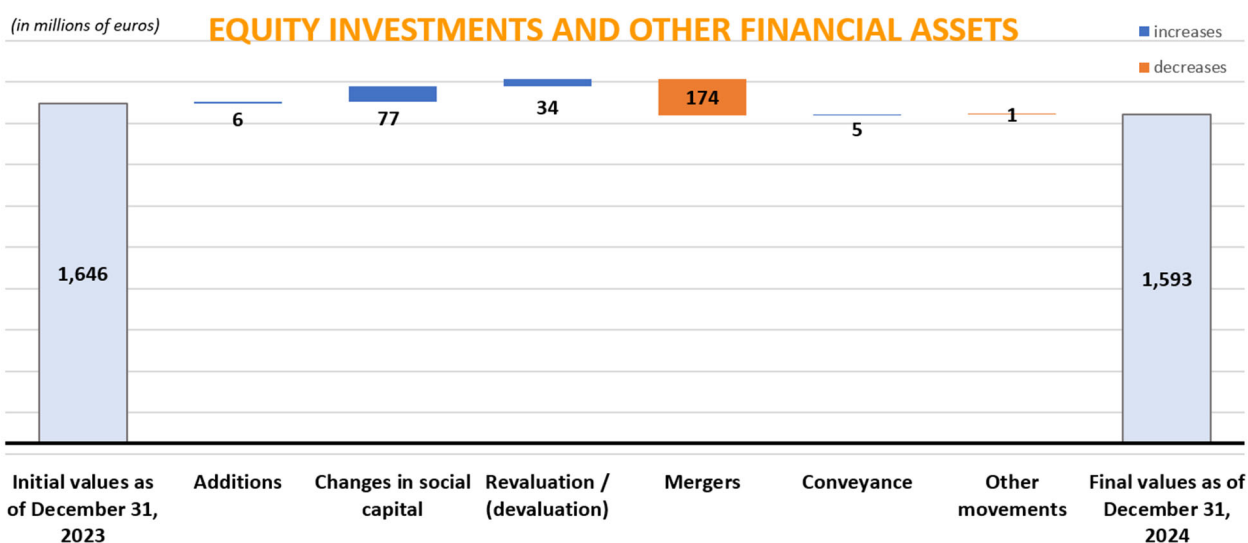
## 5.2 Equity investments and other non-current financial assets

<i>(in millions of euros)</i>	Equity investments	Investments at fair value through profit and loss	Other non-current financial assets	Total
<b>Opening balances at 12.31.2023 (A)</b>	<b>1,626</b>	<b>2</b>	<b>18</b>	<b>1,646</b>
Changes at December 31, 2024:				
- acquisitions	6	-	-	6
- changes in share capital and reserves	77	-	-	77
- rev. (+) / write-down (-) on income statement	34	-	-	34
- merger by incorporation	(174)	-	-	(174)
- transfers	5	-	-	5
- other changes (-)	-	-	(1)	(1)
<b>Total changes (B)</b>	<b>(52)</b>	<b>-</b>	<b>(1)</b>	<b>(53)</b>
<b>Balances at 12.31.2024 (A+B)</b>	<b>1,574</b>	<b>2</b>	<b>17</b>	<b>1,593</b>
of which:				
- historical cost	1,809	7	21	1,837
- write-downs (-)	(235)	(5)	(4)	(244)
<b>Net value</b>	<b>1,574</b>	<b>2</b>	<b>17</b>	<b>1,593</b>

Total equity investments and other non-current financial assets amount to 1,593 million euros and break down as follows:

- **equity investments**, of which 1,546 million euros in subsidiaries and 28 million euros in associates and joint ventures;
- **equity investments at fair value through profit and loss** for 2 million euros, refer mainly to the equity investment in American Superconductor, in European Exchange Energy, in Bake Two Srl, in Musa Scarl, in Endeavour Srl and in Easyfeel Srl;
- **other non-current financial assets**, amounting to 17 million euros, refer for:
  - 9 million euros (10 million euros December 31, 2023) to the financial receivable claimed by Edison from the company Depositi Italiani GNL (DIG) referring to a shareholders' loan granted in 2020 with maturity in 2036;
  - 6 million euros (substantially unchanged compared to December 31, 2023) to the investment in the FPCI Electranova - Idinvest Smart City Venture Fund, which concentrates on unlisted companies experiencing rapid growth (from the initial phase to the advanced phase) in the Energies & Cities sector, primarily at EU level. This investment is measured at fair value;
  - 2 million euros (1 million euro at December 31, 2023) to the investment in the CDP Venture Capital Corporate Partners I fund, for the EnergyTech segment. This investment is measured at fair value and increases in value of less than 1 million euro were recognized in the income statement during the year.

As required by the Italian Civil Code, information about the changes that occurred during the year and detailed data about investments in subsidiaries, affiliated companies, joint ventures and other companies is provided in the schedule entitled "List of Equity Investments at December 31, 2024" annexed to these separate financial statements.



The main changes in 2024 are reviewed below:

- **acquisitions** refer mainly to the purchase of 50% of the investment in Wind Energy Pozzallo Srl and the establishment of Edison Regea Srl, which is part of the corporate reorganization described in section 1.4.3 "Establishment and Transfer of Edison Regea Srl";
- **changes in capital and reserves** refer in particular to:
  - 70 million of euros in favor of Edison Next Spa;
  - 4 million of euros in favor of Wind Energy Pozzallo Srl;
- **write-downs/revaluations in the income statement**, commented on below, reflect the adjustment of the carrying value of certain investee companies as a result of the impairment test described below.

## Impairment test on equity investments

At least once a year the Company evaluates whether there are any indicators of impairment on each equity investment, in line with its strategy for the management of legal entities within the Group and, if they are identified, it tests such assets for impairment. The processes and methods for assessing and determining the recoverable amount of each equity investment are based on assumptions which are at times complex and by their very nature require recourse to the judgement of the Directors, in particular with reference to the identification of indicators of impairment, forecasting their future profitability for the Group's business plan period, determining normalized cash flows on the basis of estimated terminal value and determining long-term growth rates and discounting rates to be applied to expected future cash flows.

The write-downs or revaluations of equity investments reflect the valuations resulting from the impairment test performed on such equity investments. The impairment test on the carrying amount of equity investments involves comparing the carrying amount and the respective shareholders' equity and profit (loss) of the investee, which thus includes the effects of the impairment test it has conducted on its own assets. If following this comparison, the net equity is lower or higher than the book value, the Company evaluates whether to adjust the book value of the investment.

For some investments whose cost is higher than the pro-rata share of net equity, the value remained unchanged as a positive future income flows are expected. In 2024, write-downs of 16 million euros were recorded, while the outcomes of the impairment test allowed a restoration of 50 million euros.

## Dividends, revaluations (write-downs) and other income (expense) from equity investments

(in millions of euros)	2024 financial year	2023 financial year	Changes
Dividends	148	55	93
Revaluations (write-downs) from equity investments, net	34	23	11
Gains (losses) on the sale of equity investments	19	10	9
<b>Income from (Expense on) equity investments, net</b>	<b>201</b>	<b>88</b>	<b>113</b>

Net income from equity investments relate:

- for 148 million euros to dividends;
- for 34 million euros mainly to the write-back in value of the investments in Edison Energia;
- for 19 million euros to the proceeds received by Alperia Spa in connection with the arbitration proceedings brought by Edison on the sale of its equity investment in Cellina Energy Spa.

## 5.3 Provisions for risks and employee benefits

(in millions of euros)	12.31.2023	Financial expense	Provisions	Utilizations	Reclassification liabilities held for sale	Additions from merger	12.31.2024
- Employee benefits	11	-	-	-	-	-	11
- Provisions for decommissioning and remediation of industrial sites	72	3	1	(2)	(3)	2	73
- Provisions for other risks and charges	48	1	16	(10)	(5)	-	50
<b>Total provisions for operational risks</b>	<b>131</b>	<b>4</b>	<b>17</b>	<b>(12)</b>	<b>(8)</b>	<b>2</b>	<b>134</b>

### 5.3.1 Employee benefits

The value of 11 million euros (11 million euros at December 31, 2023), reflects the severance indemnities and other benefits accrued at period end in favor of employees. The actuarial gains and losses entered directly as shareholders' equity total around 1 million euro, unchanged compared to December 31, 2023 (see shareholders' equity table).

An actuarial valuation in accordance with IAS 19 was performed only for the liability corresponding to the provision for employee severance indemnities that is still held by the Company. The parameters used for this valuation are as follows:

	12.31.2024	12.31.2023
- Theoretical annual discounting rate	3.40%	3.40%
- Annual rate of inflation	1.90%	2.00%
- Global salary annual increase rate	2.00%	2.00%
- Estimated annual increase in employee severance indemnities	2.93%	3.00%

### 5.3.2 Provisions for decommissioning and remediation of industrial sites

These include, for 73 million euros, the valuation, discounted to the reporting date, of the decommissioning costs that the Company expects to incur for industrial sites. The change in the year reflects the net effect: (i) of the recognition of the charge related to discounting, in the income statement included in the item "Financial expense for decommissioning and adjustment of provisions", (ii) of the increase from the merger contribution as specified in paragraph 1.4 "Extraordinary transactions" and (iii) of the decrease related to the reclassification of the Sesto San Giovanni fund to discontinued operations (see paragraph 1.3 "Application of accounting standard IFRS 5").

### 5.3.3 Provisions for other risks and charges

These refer to provisions of a purely industrial nature for the various areas in which the Company operates, as well as some provisions for tax disputes related to property taxes.

They also reflect the valuation of contingent liabilities correlated with some disputes under way for which it was possible to develop a reliable estimate of the corresponding expected obligation, even though the timing of the corresponding cash outlays cannot be objectively predicted.

The total value remained substantially in line with December 31, 2023 due to the combined effect of the following events:

- use to cover the payment of higher taxes, penalties and interest due as a result of the latest rulings on the ICI dispute;
- reclassification to liabilities held for sale of the provisions for risks related to the Sesto San Giovanni business unit (see subsection 1.3.3 "Sale of Sesto San Giovanni business unit");
- provisions for possible future charges related to pricing, legal and tax risks.

### Disputed municipal property taxes (ICI and IMU) and assessed property values of hydroelectric and thermoelectric power plants

With reference to the disputes underway with the Municipality of Piateda concerning the hydroelectric plants located within the municipality's territory, it is recalled that in 2023, payment was made of the higher amount of ICI tax with related interest for the years from 2003 to 2005 and for 2008, following a final sentence issued by the Court of Cassation, which however annulled the sanctions. For the other subsequent years, and in any case before 2016, the payment of the higher taxes, penalties and interest due under the latest rulings was made in the first months of the financial year 2024. The disputes that are still open relate to post-2016 annuities for cadastral annuities following the so-called "bolted" buildings, which are having a positive development for the Company; the entire eventual charge is covered by the existing risk provisions set aside in the financial statements.

Other disputes with municipalities in the province of Sondrio, concerning other power plants and similar issues related to ICI/IMU, are minor and already covered by existing provisions.

## 5.4 Contingent assets and liabilities

### Contingent assets

Benefit not recognized in the financial statements as not virtually certain.

#### Arbitration proceedings against Venture Global

In 2017, Edison signed a contract with the American company Venture Global LNG Inc to import liquefied natural gas from the United States. The conditions to commence Deliveries under the Agreement were met around the last quarter of 2022. In breach of its contractual obligations, Venture Global did not and has not started as of today the commercial deliveries of Lng to Edison, having chosen instead to sell this gas to other parties on the short-term wholesale market. In response to this decision, in May 2023 Edison began arbitration proceedings against the American company, claiming compensation of some 1,500 million dollars. The arbitration is taking place through The London Court of International Arbitration (LCIA) and is expected to be concluded before end of 2025.

### Contingent liabilities

Not recognized in the financial statements as they depend on events that are possible, but not probable, or are probable but cannot be quantified reliably and the corresponding cash outlays cannot be reasonably estimated.

#### Assessment with adhesion for 2017

It is recalled that in December 2023, part of the procedure named Advanced Price Agreement with the Revenue Agency was closed without an agreement, with which the tax treatment of the Lump Sum collected in 2017 by Edison Trading Spa (later incorporated into Edison Spa) was being outlined following the MASA contract stipulated with EDF Trading UK. In the same month of December, the Regional Revenue Office - Large Taxpayers Office notified an assessment with acceptance for the 2017 tax year for IRES and IRAP purposes and related invitations to appear, proposing an increase in the value of the Lump Sum, following which the Company accounted for an increased tax burden of 7 million euros.

In the course of 2024, the Revenue Agency and the Company settled the dispute in adhesion; the difference of 2.7 million euros, between allocated and agreed, was accounted for as an expense in the course of 2024 following the agreement reached and the payment made.

The APA procedure is still open with the Revenue Agency for the ongoing discussion on issues related to the Joint Trading Desk, jointly with EDF Trading UK, also established as a result of the MASA contract.

## 6. SHAREHOLDERS' EQUITY

Edison Spa's **shareholders' equity** of 5,722 million euros is up by 20 million euros compared to 5,702 million euros recorded at December 31, 2023. The breakdown of shareholders' equity at December 31, 2024 is shown in the table below compared with that of December 31, 2023:

Shareholders' equity <i>(in millions of euros)</i>	12.31.2024			12.31.2023			
	No. shares	Unit. Euro N.V.	% of Share capital	No. shares	Unit. Euro N.V.	% of Share capital	
<b>Share capital of which:</b>							
Common shares	4,626,557,357	1.00	97.69%	4,627	4,626,557,357	1.00	97.69%
Non-convertible savings shares	109,559,893	1.00	2.31%	110	109,559,893	1.00	2.31%
<b>Total share capital</b>	<b>4,736,117,250</b>		<b>100.00%</b>	<b>4,736</b>	<b>4,736,117,250</b>		<b>100.00%</b>
Statutory reserve				66			49
Other reserves				-			-
Cash flow hedge reserve				8			46
Reserve for actuarial gains (losses)				(1)			(1)
Reserve from merger by incorporation				17			-
Retained earnings/(loss carryforward)				497			543
Net income (loss) for the year				399			329
<b>Total shareholders' equity</b>				<b>5,722</b>			<b>5,702</b>

The shareholders' meeting of March 27, 2024 resolved to distribute dividends on savings and ordinary shares from the 2023 financial year's earnings in the total amount of 358 million euros, and these were payable from April 24, 2024.

Analyzed and indicated below are the changes of the individual items making up the Company's shareholders' equity at the end of 2024:

### Share capital

There are no changes in the composition of the Company's share capital.

### The Shareholders' Meeting approves a restriction on a portion of the share capital

It is recalled that on June 24, 2021, the Edison Ordinary Shareholders' Meeting approved the placement in the financial statements of a tax restriction for a total amount of 1,572,280,356.02 euros on a corresponding portion of the share capital, pursuant to Article 110 of Decree Law No. 104 of August 14, 2020 and supplementary and related provisions. This resolution was made necessary as Edison had exercised the option to realign the tax values to the higher statutory values of a significant portion of certain amortizable assets and goodwill, as allowed under the above-mentioned law.

### Shareholders with Significant Equity Interests

The table that follows, which is based on the data in the Shareholder Register and reflects communications received pursuant to law and other information available as of February 12, 2024, shows that there is no party, other than the EDF group, that holds, directly or indirectly (including through third parties, nominees and subsidiaries), an interest greater than 3% of the voting stock ("Significant Equity Interests"). A breakdown of the interest held by EDF in Edison's common share capital is as follows:

	Ordinary shares	% exercisable voting rights	% ownership of issued capital
Transalpina di Energia Spa	4,602,160,785	99,473	97,172
<b>Total for the EDF group</b>	<b>4,602,160,785</b>	<b>99,473</b>	<b>97,172</b>

## Rights of the Classes of Shares

COMMON SHARES	SAVINGS SHARES
<p>The common shares, which are registered shares, convey the right to vote at the Company's Ordinary and Extraordinary Shareholders' Meetings, in accordance with the applicable provisions of the law and the By-laws, and provide their holders with any additional administrative and property rights attributed to voting shares pursuant to law.</p>	<p>The savings shares can be either bearer or registered shares, as the holder may choose, except for shares held by Directors, Statutory Auditors and the General Manager, if one is appointed, which must be registered shares. They do not convey the right to vote at the Company's Ordinary and Extraordinary Shareholders' Meetings. Pursuant to the By-laws, they convey the benefits and have the characteristics that are listed below in addition to those provided pursuant to law:</p> <ul style="list-style-type: none"> <li>✓ A reduction in the share capital to absorb losses does not cause the par value of savings shares to decrease, except for the amount in excess of the aggregate par value of the shares.</li> <li>✓ If the savings shares are delisted, they will retain all of the rights attributed to them under the Bylaws and may be converted into common shares according to the terms and conditions determined by a shareholders' meeting, which must be held within two months from the date of delisting.</li> <li>✓ The remainder of the earnings shown in the duly approved financial statements, after allocating at least 5% to the statutory reserve, which must be set aside until the reserve reaches one-fifth of the share capital, are distributed to the savings shares up to an amount that may not be greater than 5% of their par value (equal to 5 eurocents). If in a given fiscal year the savings shares receive a dividend that is less than the aforementioned amount, the difference will be brought forward and added to the preferred dividend over the following four years;</li> <li>✓ If no dividend is distributed to the savings shares for five consecutive years, these shares can be converted one for one into common shares, upon a simple request by the shareholder, during the period from January 1 to March 31 of the sixth year.</li> <li>✓ Any remaining earnings that the shareholders' meeting decides to distribute are allocated to all of the shares such that the savings shares receive a total dividend that is greater than the dividend paid to the common shares by 3% of their par value.</li> </ul>

For any matters not addressed here, please refer to the Company's Bylaws.

## OTHER SHAREHOLDERS' EQUITY ITEMS

### Statutory reserve

The Ordinary Shareholders' Meeting of March 27, 2024 resolved to set aside 5% of the profit for the year 2023 to the legal reserve in the amount of 16 million euros.

### Cash flow hedge reserves

The cash flow hedge reserve, positive and amounting to roughly 8 million euros, is due to the adoption of IFRS 9 for the accounting of derivatives. It refers to the provisional recognition in equity of the effective portion of derivatives executed to hedge price and foreign exchange risk on energy commodities. The amounts recognized directly in equity will be reflected in the income statement concurrently with the economic effects produced by the hedged items. The table below shows the change with respect to December 31, 2024:

<i>(in millions of euros)</i>	Gross reserve	Deferred taxes	Net reserve
Opening value as at 01.01.2024	64	(18)	<b>46</b>
- Period changes	(54)	16	<b>(38)</b>
<b>Value as at 12.31.2024</b>	<b>10</b>	<b>(2)</b>	<b>8</b>

The change that occurred during the period and the reserve at December 31, 2024 are related mainly to the net fair value of the derivatives outstanding to hedge the commodity and foreign exchange risk associated with the formulas used both in sales and procurement contracts entered into by Edison to manage its physical and contractual assets. The value, down from December 31, 2023, reflects the general price increase recorded during the period compared to the prices set under the existing hedges.

### Reserve for actuarial gains and losses

It is entered directly as equity and is negative for about 1 million euro, unchanged vs 2023. An actuarial valuation in accordance with IAS 19 was performed only for the liability corresponding to the provision for employee severance indemnities that is still held by the Company.

### Retained earnings and (loss) carryforward

The Ordinary Shareholders' Meeting of March 27, 2024 resolved to allocate 2 million euros to retained earnings and at the same time to withdraw 47 million euros from this reserve for dividend distribution.

## TAX STATUS OF SHARE CAPITAL AND RESERVES IN THE EVENT OF REPAYMENT OR DISTRIBUTION

The types of tax status and utilization options of the different items that constitute the Company's shareholders' equity are reviewed below:

(thousands of euros)	Carrying amount	Tax Status		Possibility of use
		Share class	Amount	
<b>Share capital</b>				
Ordinary shares	4,626,557			
Savings shares	109,560			
	4,736,117			
	of which:	B	192,082	-
		C	588,628	-
		F	1,572,280	-
<b>Other reserves</b>				
Statutory reserve	65,682	A		2
Reserve from merger by incorporation	17,354			1, 2, 3
	of which:	A	1,046	
		F	16,308	
Retained earnings	496,124	A		1, 2, 3
CFH derivative valuation reserve	9,964	E		-
Actuarial reserve (IAS 19)	(1,289)			-

#### Tax Status

**A:** reserves that, if distributed, would be included in the taxable income of the shareholders

**B:** reserves the taxation of which has been suspended that are part of share capital. If the share capital is reduced upon a shareholder distribution, these reserves would become taxable

**C:** Portion of shareholders' equity restricted pursuant to Section 469 of Law No. 266/2005 (so-called realignment), which, if utilized, would be included in the Company's taxable income, increased by a 12% substitute tax, with the concurrent earning of a 12% tax credit (equal to the substitute tax paid)

**D:** reserves that, if distributed, would not be included in the taxable income of the shareholders

**E:** cash flow hedge reserve

**F:** Restricted portion pursuant to paragraphs 3 and 8 of Art. 110 of Decree Law 104/2020, in the event of assignment to shareholders, will contribute to forming the Company's taxable income for IRES purposes, as well as the taxable income of the recipients, without prejudice to the right to a tax credit for the Company, for the substitute tax of 3% paid in relation to any portion allocated to shareholders.

**Utilization options**

- 1: capital increase
- 2: loss coverage
- 3: distribution to shareholders

Specifically as concerns the tax regime, please note that the reserves the taxation of which has been suspended that are part of share capital (see letter B) are broken down below according to the relevant regulatory and corporate references (in thousands of euros):

• No. 576 of 12/01/1975 (old Edison form. Montedison)	31,064
• No. 72 of 3/19/1983 (old Edison form. Montedison)	15,283
• No. 576 of 12/1/1975 (former Finagro)	1,331
• No. 72 of 3/19/1983 (former Finagro)	3,310
• No. 72 of 3/19/1983 (former Montedison)	8,561
• No. 72 of 3/19/1983 (former Silos di Genova Spa)	186
• No. 413 of 12/30/1991 (former Finagro)	4,762
• No. 576 of 12/1/1975 (former Calceamento)	976
• No. 72 of 3/19/1983 (former Calceamento)	4,722
• No. 413 of 12/30/1991 (former Sondel)	2,976
• No. 413 of 12/30/1991 (former Edison)	118,911

Any taxes that may be due on the reserves would amount to 46 million euros for those under letter B, 80 million euros (net of tax credit) for those under letter C, and 344 million euros for those under letter F (net of the tax credit).

As for the negative income components that are not reflected in the income statement, which until 2008 could be deducted by listing them on a separate schedule annexed to the income tax return, the provision of the tax code require that a corresponding amount of the unrestricted reserves and retained earnings should be maintained on the Company's financial statements and, if the above-mentioned amount is distributed, it would be included in the Company's taxable income.

As a result of non-accounting depreciation and amortization taken in 2006 and 2007 and the derecognition in 2004 of entries booked for tax purposes but which had no relevance for statutory reporting purposes, non-accounting deductions still available totalled about 2.2 million euros. Deferred taxes totalling about 0.5 million euros were recognized in connection with these entries.

Therefore, should the Company choose to distribute earnings or reserves, it must have residual qualified reserves, as defined in art. 109 of the Uniform Tax Code, totalling 1.6 million euros. If the Company lacks or has insufficient qualified reserves, any uncovered portion of the distribution, increased by the applicable deferred taxes, would become part of the Company's taxable income.

Lastly, the reform of the corporate income tax system, which went into effect on January 1, 2004, introduced the overriding presumption that the profit for the year and the portion of reserves other than share capital reserves that has not been set aside in a suspended taxation status will be distributed, irrespective of the motions approved by the shareholders' meeting (art. 47 of the Uniform Tax Code).

## 7. NET FINANCIAL DEBT (AVAILABLE FUNDS) AND COST OF DEBT

### 7.1 Management of Financial Resources

Edison Spa defines its financial strategy with the main view of guaranteeing the availability of monetary resources under the best market conditions, and in the appropriate proportions, to support the running of ordinary business activities and the development of investments to support future growth.

For this purpose, Edison Spa also relies although not exclusively on the parent company EDF Sa for funding, to obtain loans in any technical form that guarantee flexibility in liquidity and/or coverage of structural needs. The terms and conditions are aligned with the best market conditions for Edison. This does not preclude recourse to the market as further explained below.

In terms of cash management, one of Edison's current accounts is dedicated to the cash pooling relationship with EDF Sa, allowing for significant cash flexibility, thanks to a credit facility of up to 199 million euros under competitive conditions. As for the governance of liquidity, it is centralized at the level of Edison Spa, which directly manages the treasury of its Italian subsidiaries and coordinates the foreign subsidiaries, in both cases through correspondence current accounts and intra-group loans. The former are used for the collection and payment system, ensuring, when necessary, cash flexibility in the short term, while the loans make it possible to cover structural requirements, first and foremost investments. The terms and conditions applied reflect prevailing market conditions over time according to the "arm's length" principle, based on which transactions, in this case financial, between members of the same Group must be carried out substantially under the same conditions as would be applied with respect to third parties.

For the financing of investments and the coverage of working capital, Edison turns to the market when interesting opportunities arise: for example, in covering investments, Edison has made extensive use of loans granted by the European Investment Bank (EIB), which offers particularly favorable economic conditions and terms.

At December 31, 2014, Edison's credit rating is BBB positive outlook for Standard & Poor's and Baa3 stable outlook for Moody's.

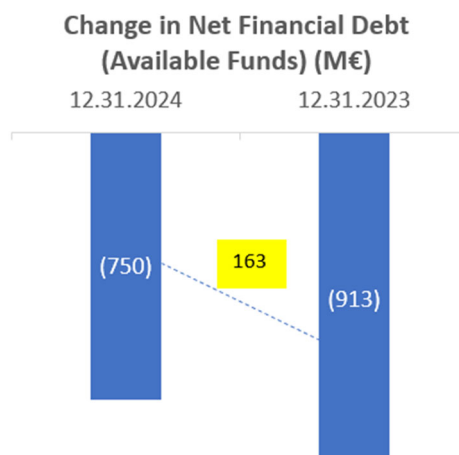
This paragraph also provides some sensitivity analyses and details to better describe the financial risk management procedures (interest rate risk, credit risk, liquidity risk).

## 7.2 Net Financial Debt (Available Funds) and Cost of Debt

Below is a summary of the main phenomena which impacted the net available funds, which as at December 31, 2024 came to 750 million euros (net available funds of 913 million euros at December 31, 2023).

The change of 163 million euros in net cash was mainly due to the positive change in working capital, as well as the following cash flows for the year:

- 358 million from dividend payments;
- 148 million from the collection of dividends from subsidiaries;
- 420 million from the payment of direct taxes;
- around 108 million euros in investments in tangible and intangible assets, mainly related to extraordinary maintenance of some gas-fired combined-cycle thermoelectric power plants and some hydroelectric power plants;
- 80 million euros for investments in financial assets.



Below is a breakdown of total net financial debt (cash):

<i>(in millions of euros)</i>	12.31.2024	12.31.2023	Changes
<b>Non-current financial debt</b>	<b>644</b>	<b>587</b>	<b>57</b>
- Payables to banks	487	406	81
- Lease payables	157	181	(24)
<b>Non-current financial receivable</b>	<b>(810)</b>	<b>(1,153)</b>	<b>343</b>
Non-current financial assets from subsidiaries and affiliated companies	(810)	(1,153)	343
<b>Other non-current liabilities</b>	<b>144</b>	<b>5</b>	<b>139</b>
<b>Non-current financial debt</b>	<b>(22)</b>	<b>(561)</b>	<b>539</b>
<b>Current financial debt (excluding the current portion of non-current financial debt)</b>	<b>411</b>	<b>1,143</b>	<b>(732)</b>
- Current financial liabilities from subsidiaries and associates (+)	353	1,003	(650)
- Payables to banks	31	117	(86)
- Payables to subsidiary Transalpina di Energia	22	11	11
- Payables to other lenders	5	12	(7)
<b>Current portion of non-current financial debt</b>	<b>94</b>	<b>96</b>	<b>(2)</b>
- Payables to banks	64	67	(3)
- Lease payables	30	29	1
<b>Current financial credit</b>	<b>(346)</b>	<b>(383)</b>	<b>37</b>
Current financial assets from subsidiaries and affiliated companies	(346)	(383)	37
<b>Current financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>(887)</b>	<b>(1,208)</b>	<b>321</b>
<b>Net current financial debt</b>	<b>(728)</b>	<b>(352)</b>	<b>(376)</b>
<b>Total net financial debt</b>	<b>(750)</b>	<b>(913)</b>	<b>163</b>
of which:			
<b>Gross Financial Debt</b>	<b>1,293</b>	<b>1,831</b>	<b>(538)</b>
of which Other non-current liabilities	144	5	139
<b>Liquidity</b>	<b>(2,043)</b>	<b>(2,744)</b>	<b>701</b>

Below is the breakdown of **net financial debt referring to the application of IFRS 16**:

<i>(in millions of euros)</i>	<b>12.31.2024</b>	<b>12.31.2023</b>	<i>Changes</i>
Long-term financial debt	157	181	(24)
Non-current financial assets from subsidiaries and affiliated companies	(3)	(4)	1
<b>Non-current net financial debt (available funds)</b>	<b>154</b>	<b>177</b>	<b>(23)</b>
Current financial payables	30	29	1
Current financial assets from subsidiaries and affiliated companies	(1)	(1)	-
<b>Current net financial debt (available funds)</b>	<b>29</b>	<b>28</b>	<b>1</b>
<b>Total net financial debt (available funds)</b>	<b>183</b>	<b>205</b>	<b>(22)</b>

### 7.2.1 Non-current financial payables

<i>(in millions of euros)</i>	<b>12.31.2024</b>	<b>12.31.2023</b>	<i>Changes</i>
Banks	487	406	81
Leasing IFRS 16	157	181	(24)
<b>Total non-current financial payables</b>	<b>644</b>	<b>587</b>	<b>57</b>

**Non-current financial payables** increased compared to December 31, 2023 due to utilizations of 92 million euros during the year on the Green Loan with the EIB and related to investments in renewables, energy efficiency and for the construction of the Marghera Levante thermoelectric power plant. This increase in debt was partially offset by the reclassification of the maturing portions of bank loans and leases under current financial liabilities.

### 7.2.2 Current financial payables

<i>(in millions of euros)</i>	<b>12.31.2024</b>	<b>12.31.2023</b>	<i>Changes</i>
Banks	95	184	(89)
Transalpina di Energia Spa	22	11	11
Leasing IFRS 16	31	29	2
Factoring companies	5	6	(1)
Other financial payables	-	6	(6)
<b>Total current financial payables</b>	<b>153</b>	<b>236</b>	<b>(83)</b>

**Current financial payables** decreased compared to December 31, 2023 mainly due to lower temporary overdrafts on ordinary current accounts for normal operations.

The tables below provide details on **current payables and current and non-current receivables** with respect to subsidiaries and affiliated companies, which represent financial transactions and balances in the intra-group current accounts. In fact, Edison Spa generally collects surplus cash from its subsidiaries and associates and finances their investment requirements.

### 7.2.3 Current financial payables to subsidiaries and affiliated companies

<i>(in millions of euros)</i>	<b>12.31.2024</b>	<b>12.31.2023</b>	Changes
Edison Rinnovabili	143	279	(136)
Edison International	73	72	1
Edison International Shareholdings	18	20	(2)
Edison Regea	17	-	17
Edison Energia	14	354	(340)
Cellina Energy (*)	-	142	(142)
Winbis (**)	-	32	(32)
Other minor	88	104	(16)
<b>Total</b>	<b>353</b>	<b>1,003</b>	<b>(650)</b>

(\*) Merged in Edison Spa in 2024

(\*\*) Merged in Edison Rinnovabili Spa in 2024

The total value of current financial payables to subsidiaries and affiliated companies decreased compared to last year. The largest reduction was due to Edison Energia, which used its cash to repay the intercompany loan with a view to optimizing its financial resources. Furthermore, Winbis and Cellina Energy were incorporated during the year.

### 7.2.4 Current and non-current financial receivables from subsidiaries and affiliated companies

<i>(in millions of euros)</i>	<b>Total</b>			<b>Of which current</b>			<b>Of which non-current</b>		
	<b>12.31.2024</b>	<b>12.31.2023</b>	<b>change</b>	<b>12.31.2024</b>	<b>12.31.2023</b>	<b>change</b>	<b>12.31.2024</b>	<b>12.31.2023</b>	<b>change</b>
<b>Subsidiaries</b>									
Edison Next	480	383	97	117	103	14	363	280	83
Edison Rinnovabili	182	146	36	14	14	-	168	132	36
Edison Stocaggio	109	126	(17)	109	126	(17)	-	-	-
Edison Next Government	87	100	(13)	14	43	(29)	73	57	16
Edison Next Spain	75	44	31	38	1	37	37	43	(6)
Edison Energia	-	499	(499)	-	-	-	-	499	(499)
Others	223	239	(16)	54	97	(43)	169	142	27
<b>Total subsidiaries (A)</b>	<b>1,156</b>	<b>1,537</b>	<b>(381)</b>	<b>346</b>	<b>384</b>	<b>(38)</b>	<b>810</b>	<b>1,153</b>	<b>(343)</b>
<b>Provision for doubtful accounts IFRS 9 (B)</b>	<b>-</b>	<b>(1)</b>	<b>1</b>	<b>-</b>	<b>(1)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>1,156</b>	<b>1,536</b>	<b>(380)</b>	<b>346</b>	<b>383</b>	<b>(37)</b>	<b>810</b>	<b>1,153</b>	<b>(343)</b>

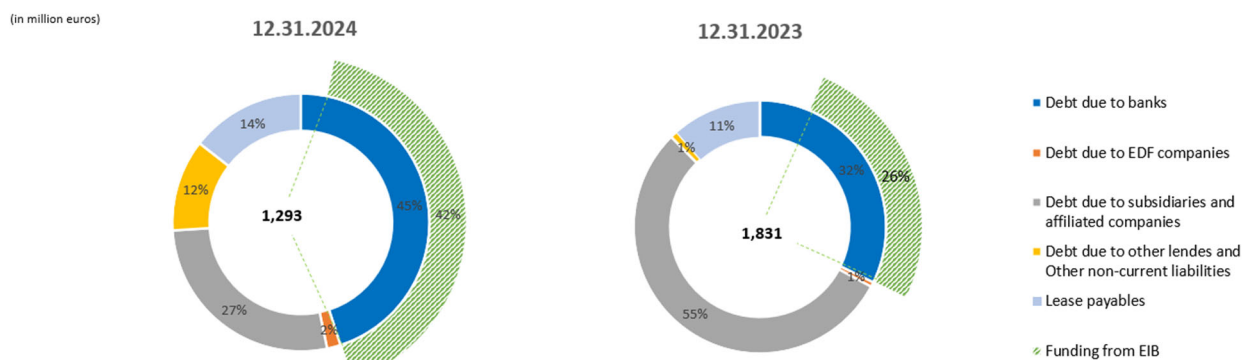
The decrease in current and non-current financial receivables is mainly attributable to the repayment of the intercompany loan held by Edison Energia, which was carried out thanks to the cash that the company had deposited with Edison Spa, as can be seen in the statement of current financial payables shown above.

### 7.2.5 Cash and cash equivalents

Cash and cash equivalents, equal to 887 million euros (1,208 million euros at December 31, 2023) and mainly consisting of current account balances with EDF Sa for 878 million euros (1,201 million euros at December 31, 2023) and bank account balances for 9 million euros (7 million euros at 31 December 2023), decreased compared to 2023. It is recalled that the current account with EDF has a credit facility of 199 million euros under competitive conditions. This current account facility with EDF, as at December 31, is not used.

## 7.2.6 Breakdown by funding source of gross financial debt

The external **funding sources** are primarily represented by long-term loans for the development of specific projects in the renewable energies, energy efficiency and for the construction of the Marghera Levante thermoelectric power plant, granted by the **EIB** directly to Edison Spa.



## 7.2.7 Net financial income (expense) linked to debt (available funds)

(in million euros)	2024 financial year	2023 financial year	Change
<b><i>Financial income</i></b>			
Financial income from Group companies	81	80	1
Financial income to EDF Sa	52	31	21
Financial income to banks	2	2	-
<b>Total financial income on cash and cash equivalents</b>	<b>135</b>	<b>113</b>	<b>22</b>
<b><i>Financial expense</i></b>			
Financial expense paid to Group companies	(41)	(34)	(7)
Interest paid to banks	(17)	(13)	(4)
Financial expense paid to Transalpina di Energia	(9)	(3)	(6)
Financial expense paid to EDF	-	(1)	1
<b>Total financial expense on debt</b>	<b>(67)</b>	<b>(51)</b>	<b>(16)</b>
<b>Total financial income (expense) on net financial debt (available funds)</b>	<b>68</b>	<b>62</b>	<b>6</b>
<b>Income (expense) on assignment of receivables without recourse</b>	<b>(3)</b>	<b>(5)</b>	<b>2</b>
<b>Charges on financial leases IFRS 16</b>	<b>(8)</b>	<b>(8)</b>	<b>-</b>

**Net financial income on net financial availability** in the financial year 2024 amounted to 68 million euros, substantially in line with the previous year.

## 7.2.8 Cash flow statement reconciliation

Pursuant to IAS 7 "Statement of Cash Flows", below is a statement of changes in liabilities deriving from lending activities, making it possible to reconcile the cash flows shown in the "Cash Flow Statement" with the total changes recognized during the year in balance sheet items that contribute to net financial debt.

<i>(in millions of euros)</i>	12.31.2023	Cash flow	Non cash flow		12.31.2024
			New IFRS 16 leasings	Other changes	
Long-term financial debt	587	54	3	-	644
Other current financial payables	1,239	(734)	-	-	505
Other non-current financial payables	5	-	-	139	144
Current and non-current financial assets (-)	(1,536)	380	-	-	(1,156)
<b>Net liabilities from financing activities</b>	<b>295</b>	<b>(300)</b>	<b>3</b>	<b>139</b>	<b>137</b>
Cash and cash equivalents (-)	(1,208)	321	-	-	(887)
<b>Net financial borrowings (available funds)</b>	<b>(913)</b>	<b>21</b>	<b>3</b>	<b>139</b>	<b>(750)</b>

## 7.3 Financial risk management

### 7.3.1 Interest rate risk

Edison's exposure to interest rate risk has remained basically stable. It should be noted that fixed-rate debts are represented by IFRS 16 leases and the utilization of 254 million euros of EIB funds, corresponding to the portion of credit facilities for which Edison, at the time of granting the loan, opted for a fixed rate, as permitted by contractual agreements. The remainder of the payable is variable-rate (the Euribor rate). Edison assesses its exposure to the risk of changes in interest rates on a regular basis, which it manages mainly by selecting loan utilization methods.

### Gross financial debt: mix fixed and variable rate

Edison's exposure to interest rate risk here takes into account, within intra-group transactions, only the liabilities and not the assets and thus, for a clearer view of the interest rate risk to the market, please refer to the Consolidated Financial Statements where intra-group transactions are eliminated.

Gross Financial Debt <i>(in millions of euros)</i>	12.31.2024			12.31.2023		
	without derivatives	with derivatives	% with derivatives	without derivatives	with derivatives	% with derivatives
- fixed rate portion	442	442	38%	469	469	26%
- variable rate portion	708	708	62%	1,357	1,357	74%
<b>Total gross financial debt (*)</b>	<b>1,150</b>	<b>1,150</b>	<b>100%</b>	<b>1,826</b>	<b>1,826</b>	<b>100%</b>

(\*) Includes the effects of applying IFRS 16, does not include Other non-current liabilities.

### Sensitivity analysis on financial expense

The table below provides a sensitivity analysis that shows the impact on the income statement of a hypothetical shift of the forward curve of plus or minus 50 basis points compared with the rates actually applied in 2024, compared with the corresponding data from 2023. It should be noted that this analysis is carried out based on the debt component of financial expenses only and disregards financial income, which nevertheless also played a very significant role in 2024.

Sensitivity analysis <i>(in million euros)</i>	2024 financial year			2023 financial year		
	Impact on financial expense (P&L)			Impact on financial expense (P&L)		
	+50 bps	base	-50 bps	+50 bps	base	-50 bps
	26	23	21	12	11	10

### 7.3.2 Liquidity risk

Liquidity risk is the risk that Edison Spa may not have access to sufficient financial resources to meet its financial and commercial obligations in accordance with agreed terms and maturities.

The Company aims to ensure that the Group always has sufficient funding sources to meet its obligations that are falling due and to support the established investment programs, with reasonable margins of financial flexibility.

The table below provides a prudential assessment of the total outstanding liabilities at the time the financial statements were prepared until their natural expiry. It includes:

- in addition to principal and accrued interest, all future interest payments estimated for the entire length of the underlying debt obligation. When present, the effect of interest rate derivatives is also considered;
- financing facilities are treated as if repayable on demand, in the case of revocable lines of credit, or on the first due date when repayment can be demanded, in other cases.

For a more meaningful representation, the prudential value thus obtained is compared with the existing cash and cash equivalents, without considering other assets (e.g., trade receivables).

### Projection of future cash flows

Projection of future cash flows (in millions of euros)	12.31.2024			12.31.2023		
	1 to 3 months	over 3 months to 1 year	After 1 year	1 to 3 months	over 3 months to 1 year	After 1 year
Financial debt and other financial liabilities (*)	41	123	724	140	109	659
Payables to suppliers	1,828	93	10	1,650	55	77
<b>Total</b>	<b>1,869</b>	<b>216</b>	<b>734</b>	<b>1,790</b>	<b>164</b>	<b>736</b>
<b>Personal guarantees given (**)</b>	<b>91</b>	<b>-</b>	<b>-</b>	<b>115</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents</b>	<b>887</b>			<b>1,208</b>		

(\*) The item does not include "current financial payables to factoring companies and other financial payables".

(\*\*) These guarantees are given to lenders of associated companies.

The **financial debt due within one year**, amounting to 164 million euros (249 million euros at December 31, 2023), decreased compared to December 31, 2023 due to lower current account overdrafts.

The **Financial debt maturing beyond one year**, amounting to 724 million euros (659 million euros at December 31, 2023), increased due to new draw downs of 92 million euros under the **EIB** Green Framework Loan made during 2024.

The maturity structure of Edison's financial debt, with a clear predominance of medium- to long-term debt, is a crucial factor in protecting against liquidity risk.

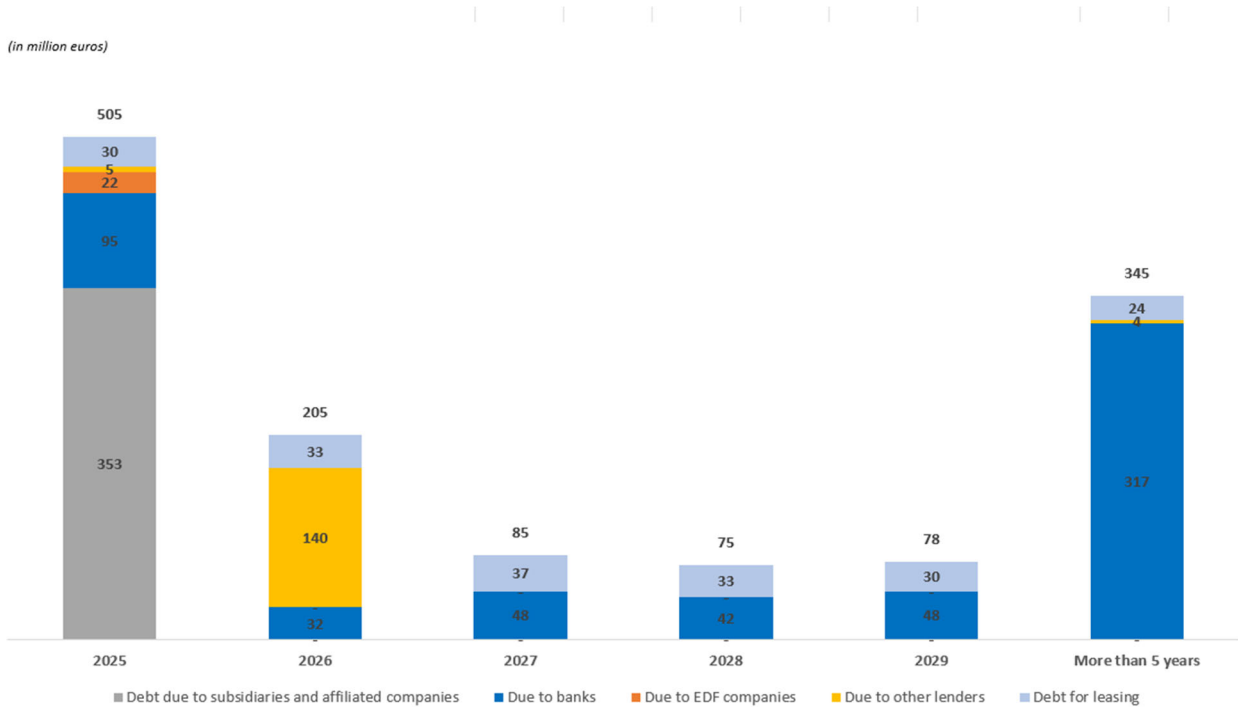
### Total available financial resources

Cash and cash equivalents amounted to 887 million euros, of which 878 million euros in the treasury current account with EDF Sa.

At December 31, 2024, Edison can count on the remaining unused portion (equal to 70 million euros) of the aforementioned Green Framework Loan granted by the EIB to finance energy efficiency projects and the construction of renewable energy plants throughout Italy. The credit line has a duration of 15 years and the availability period has been extended until June 2025.

Lastly, it should be noted that Edison cancelled in advance the 1 billion euros revolving credit line secured by a SACE guarantee (700 million euros), which was also cancelled. This credit line was contracted in 2023 as part of the program of exceptional support measures called SupportItalia.

### Gross financial debt: debt expiration



#### 7.3.3 Risk of early repayment of loans

The Company is not required, under the terms of any of its credit lines, to comply with specific financial covenants. With regard to the effects that a change in control of Edison could have on outstanding loans, please refer to the discussion in the Management, Sustainability and Governance Report at December 31, 2024, in the paragraph D.2.2.6 “Change of Control Clauses”.

The loan agreements do not contain clauses that could result in the early termination of the loan as an automatic effect if the credit rating assigned to Edison Spa by the rating agencies is downgraded or cancelled. Note that the medium/long-term credit lines provided by EIB envisage restrictions on the use of funds and on the management of projects financed, typical of loans for industrial businesses. On the date on which this report was drafted, Edison Spa was not aware of the existence of any default situation with regard to any of its subsidiaries.

## 8. TAXATION

### 8.1 Tax risk and tax management

It should be noted that since 2018 the Edison group has adopted a Tax Risk Management system that allows the detection, assessment, management and active control of tax risk (so-called Tax Control Framework or TCF). This management process is integrated into the Group's Internal Control and Risk Management System.

The TCF adopted consists of a Tax Policy, a General Rule, a system of Risk & Control Identification Matrices, as well as a system of Information Flows, synergistically connected with the provisions of Law 262/2005, however separated while maintaining their fiscal integrity, to monitor and manage activities with potential fiscal impacts on the main business processes and on the Group's results.

The TCF and the elements supporting it received a positive assessment from the Revenue Agency-Collaborative Compliance Office within the framework of the investigation that led Edison Spa to be admitted to Cooperative Compliance with retroactive effect from tax year 2022.

During 2024, in addition to the first post-admission meeting with the Revenue Agency - Collaborative Compliance Office, which formally opened the dialog provided for by the regime in question, Edison Spa followed up on the requests formulated in relation to the areas of improvement identified by the same Office during the evaluation of the TCF adopted by the Company.

The annexation is a building block for the establishment of a strengthened relationship (i.e. enhanced relationship) based on mutual communication, cooperation and transparency between taxpayer and Tax Administration.

### 8.2 Taxes

**Current income taxes** are determined on the basis of the estimated taxable income, calculated in accordance with the tax rates and laws that have been enacted or substantively enacted at the reporting date, taking into account any applicable exemptions or available tax credits.

**Deferred tax assets and liabilities** are calculated on the temporary differences between the values attributed to assets and liabilities in the balance sheet and the corresponding values recognized for tax purposes, based on the tax rates in effect when the temporary differences will be reversed. Deferred tax assets are recognized if they are likely to be recovered in the future. When measuring deferred tax assets the taxable income estimated in the business plans approved by the Company is considered. When gains and losses are recognized directly in shareholders' equity, and namely in the "Reserve for other components of comprehensive income", prepaid-tax assets and deferred-tax liabilities must also be directly recognized in shareholders' equity.

Also for the year 2024, the option for Group taxation for IRES purposes is in force for the Company, as provided for by articles 117 and following of the TUIR – so-called National Consolidated Tax Return - which is filed by Transalpina di Energia Spa (TdE or consolidating company) and involves all the main Group companies.

Consequently, the Company and the other companies participating in the aforementioned Consolidation determine the IRES due in coordination with the consolidating company TdE.

In order to regulate reciprocal commitments and actions, bilateral agreements are signed between the consolidating company TdE and the individual companies, although the rules of the relevant tax regulations in force from time to time apply to the relations in question.

#### 8.2.1. Taxes and tax rate

(in millions of euros)	2024 financial year	2023 financial year	Change
Current taxes	(103)	(272)	169
Deferred/(prepaid) tax	4	151	(147)
Previous years' taxes	19	13	6
<b>Total income taxes</b>	<b>(80)</b>	<b>(108)</b>	<b>28</b>

**Current taxes** of 103 million euros include IRES of 67 million euros and IRAP of 36 million euros.

**Net deferred/prepaid taxes** had a positive balance of 4 million euros. The main reasons for this balance are the allocation of deferred tax assets on the provisions for risks and the use of deferred tax assets on the difference in the value of property, plant and equipment.

**Taxes for the previous year** include the positive impact of 18 million euros as a result of a court settlement with the Revenue Agency whereby disputes concerning IRPEG/ILOR relating to the 1991 and 1992 tax years of a merged company were settled, with partial reimbursement of the amount paid pending judgement.

An analysis of the reconciliation between the theoretical tax burden, determined by applying the IRES and IRAP tax rate applicable in Italy, and the actual tax burden for the year, is shown below:

<i>(in millions of euros)</i>	2024 financial year		2023 financial year	
<b>Income (loss) before taxes</b>	<b>451</b>		<b>438</b>	
<b>Taxes applicable in the year</b>	<b>108</b>	<b>24.0%</b>	<b>105</b>	<b>24.0%</b>
Non-taxable dividends	(34)	(7.5%)	(13)	(3.0%)
Writedowns (Revaluations) of equity investments	(8)	(1.8%)	(23)	(5.3%)
Gain on sales of investments	-	-	(2)	(0.5%)
Permanent differences	5	1.1%	(9)	(2.1%)
Regional tax (IRAP)	36	8.0%	74	16.9%
Deferred taxes	-	-	(20)	(4.6%)
Effect DTA on realignment	(9)	(2.0%)	(9)	(2.1%)
Court settlement	(18)	(4.0%)	-	0%
Extraordinary extra profit contribution	-	-	(12)	(2.7%)
<b>Total income taxes in the income statement</b>	<b>80</b>	<b>17.8%</b>	<b>91</b>	<b>20.8%</b>

For a better understanding of this reconciliation, the impact of IRAP was kept separate to avoid any distortion effects, as that tax is applied on a tax base that is not the same as the pre-tax result.

## 8.2.2 Income taxes paid

During the financial year, disbursements for direct taxes amounted to 420 million euros and refer to the 2023 IRES balance for 141 million euros, to the 2024 IRES advances for 163 million euros, to the 2023 IRAP balance for 68 million euros, to the 2024 IRAP advances for 48 million euros (net of a compensation of credits claimed from the tax authorities of 2 million euros).

## 8.3 Tax assets and liabilities

### 8.3.1 Taxes receivable and payable

At December 31, 2024, there are net receivables of 118 million euros (net payables of 209 million euros at December 31, 2023); the details are provided in the table below:

<i>(in millions of euros)</i>	12.31.2024	12.31.2023	Changes
Non-current tax assets	3	5	(2)
Current-tax assets	14	-	14
Amount due from the controlling company TDE for the filing of a consolidated tax return	101	-	101
<b>Total tax assets (A)</b>	<b>118</b>	<b>5</b>	<b>113</b>
Current taxes payable	-	75	(75)
Amount due to the parent company TDE for the filing of a consolidated tax return	-	139	(139)
<b>Total taxes payable (B)</b>	<b>-</b>	<b>214</b>	<b>(214)</b>
<b>Taxes receivable (payable) (A-B)</b>	<b>118</b>	<b>(209)</b>	<b>327</b>

In detail:

- **Current tax credits** include the receivable for IRAP for the year;
- The **receivables to the the parent company** for tax consolidation refer to the IRES National Consolidated Tax Return.

### 8.3.2 Deferred tax assets and liabilities

At December 31, 2024, liabilities amounted to 2 million euros (19 million euros at December 31, 2023), while assets amounted to 321 million euros (326 million euros at December 31, 2023).

Details of the changes in “Deferred tax assets” and “Deferred tax liabilities” are provided below, broken down by type of timing difference, determined based on the tax rates envisaged by governing measures.

Please recall that if the requirements set forth in IAS 12 are met, the items are offset.

#### Impacts on the income statement and shareholders' equity

Changes in deferred-tax liabilities and deferred-tax assets <i>(in millions of euros)</i>	01.01.2024	Effect in income statement	Effect in shareholders' equity (loss)	Other changes/ Reclassification	12.31.2024
<b>Deferred-tax liabilities:</b>					
Other deferred taxes	1	(1)	-	-	-
Differences in the valuation of property, plant and equipment:	2	-	-	-	2
Adoption of IFRS 9 to value financial instruments:					
- impact on shareholders' equity	18	-	(16)	-	2
	<b>21</b>	<b>(1)</b>	<b>(16)</b>	-	<b>4</b>
Offsets	(2)	-	-	-	(2)
<b>Total deferred-tax liabilities</b>	<b>19</b>	<b>(1)</b>	<b>(16)</b>	-	<b>2</b>
<b>Deferred-tax assets:</b>					
Taxed provisions for risks	204	5	-	(11)	198
Adoption of IFRS 9 to value financial instruments:					
Differences in the valuation of property, plant and equipment	38	(1)	-	1	38
Tax value goodwill realigned	86	-	-	-	86
Other	-	1	-	-	1
	<b>328</b>	<b>5</b>	-	<b>(10)</b>	<b>323</b>
Offsets	(2)	-	-	-	(2)
<b>Total deferred-tax assets</b>	<b>326</b>	<b>5</b>	-	<b>(10)</b>	<b>321</b>

In particular, please note that the valuation of **deferred tax assets** reflects the assumption of probable realization and recoverability for tax purposes, based on the realization time horizon.

## 9. NON-ENERGY ACTIVITIES

The Edison group is involved in various processes, in particular, for environmental remediation and decontamination of polluted areas deriving from its own industrial history. Edison Spa, in fact, represents the universal successor of Montedison Spa, merged in it. As a result, in the financial statements are recognized charges for environmental activities and risk provisions related to disputes arising from events over the time, connected, *inter alia*, to the management of chemical production plants already held by Montedison group – that were object, from the 1990s to 2010, of a wide-range divestment policy that led to Edison group's activities being redirected into the energy sector - and which therefore are not relevant to the current business management of Edison Spa and its subsidiaries. For this reason, it was decided to isolate and represent in a dedicated chapter the contribution of these activities to the consolidated income statement and balance sheet, as well as the related contingent liabilities.

There are several legal disputes related to these remediation and decontamination activities and in the assessment of likely impacts, the Company's management must use estimates and assumptions that are more relevant, in particular as regards provisions related to environmental litigation for the chemical facilities of Montedison group. The quantification and the review of these provisions are part of a recurring process of assessment based on the complexity and differentiation of the legal framework cases; likewise, and in general, the periodical assessment also includes the quantification and updating of the other provisions for risk related to legal and arbitral disputes.

The resulting effects are recognized in the Corporate segment and in particular, in the income statement, the related income and expenses, including the associated legal costs, are recorded in the item 'Other income (expense) non Energy activities' included in EBIT.

**Net expenses for 2024 amounted to 614 million euros** (net expenses of 553 million euros in the previous year). Please note that **the value includes expenses of about 607 million euros related to environmental issues**, due to the developments during the period, following new assessments related to the increase in market costs and changes in the scope of work to be performed on certain sites, as well as the agreement "Patto per l'ambiente" signed with ENI. Below is the composition and movement of the risk provisions present in the balance sheet and the contents that determined their registration:

(in millions of euros)	12.31.2023	Financial expense	Provisions	Utilizations	Reclassification of liabilities held for sale	Contributions	12.31.2024
A) Risks for disputes, litigation and contracts	7	-	6	(3)	-	-	10
B) Charges for contractual guarantees on sale of equity investments	85	2	3	-	-	-	90
C) Environmental risks	658	-	607	(637)	(11)	(16)	601
D) Disputed tax items	-	-	-	-	-	-	-
<b>Provisions for risks on non-energy activity disputes</b>	<b>750</b>	<b>2</b>	<b>616</b>	<b>(640)</b>	<b>(11)</b>	<b>(16)</b>	<b>701</b>

With regard to environmental risks, it should be recalled that, as already commented in the 2023 Financial Statements, on July 31, 2023, the companies Edison Spa, ENI Spa, ENI Rewind Spa and Versalis Spa entered into an agreement to regulate the joint economic competition for the remediation interventions in execution of the projects decreed by the Ministry of the Environment for the sites so-called 'former EniMont' (the sites contributed to the EniMont joint venture in 1990 by the ENI and Montedison groups, respectively), initiating cooperation between ENI and Edison. The implementation of the site-by-site agreement, with related planning activities, sharing of costs resulting from approved reclamation projects and relations with institutions will be discussed and coordinated by a joint technical-legal committee between the companies.

In connection with this agreement, and based on in-depth technical and legal assessments and evaluations concerning both the costs incurred by ENI in the past and the future activities to be implemented, further significant adjustments were made to the specific provision for risks during the year. In this context, the amounts still to be recognised to the counterparty are recorded as at 31 December 2024 under Other current liabilities and Other non-current liabilities.

### A) Probable liabilities for which a provision for disputes, litigation and contracts risks was recognized in the Balance Sheet:

Date started / Jurisdiction	Description of dispute
<b>Collapse of the Stava Dam</b>	
October 25, 2000 Court of Milan / Milan Court of Appeals / Court of Cassation	The last civil dispute that is still pending with regard to the events that occurred in Val di Stava in 1985, when the levies of two mining mud holding ponds, operated by a Montedison-owned company were breached causing the well-known disaster. In its decision, the lower court ruled that the statute of limitation prevented the action filed against Edison. By a decision published in November 2015, the Milan Court of Appeals upheld that decision. The Court of Cassation instead voided the decision in the second instance and referred the case back to the Milan Court of Appeals, indicating the items for the quantification of the damages for which compensation is to be provided. In 2022, the Court of Appeals of Milan, in ruling no. 2242/2022, ordered Edison (formerly Montedison) to pay the pecuniary damages suffered as a result of the Stava disaster, quantified at approximately 300,000 euros, which, due to the effect of interest and revaluation from 1985 to the present day, are revalued at 2,191,707.14 euros, plus legal expenses. By virtue of the agreement with the other parties to the dispute, Edison is called upon to pay the entire sum, subject to pro rata recourse against ENI, the Autonomous Province of Trento and Finimeg for 70% of the total. The sum of 2,191,707.14 euros was paid and Edison filed a claim for recovery against the joint debtors on a pro rata basis. Eni has reimbursed its share, while we are waiting for reimbursement from the Autonomous Province of Trento.
<b>Claims for Damages Caused by Exposure to Asbestos</b>	
In recent years, there has been a significant increase in the number of claims for damages arising from the deaths or illnesses of workers that were allegedly caused by exposure to different forms of asbestos at factories formerly owned by Montedison Spa (now Edison) or from judicial cases taken over by Edison as a result of corporate transactions. Without rendering an opinion on the merits of these claims, considering the long latency of illnesses related to exposure to different types of asbestos and the industrial activities carried out in the past by Group companies that belonged to the chemical industry, the presence of these companies throughout Italy and the manufacturing technologies used (considering the dates when these activities were carried out and the state of technological advancement at the time), which complied fully with the laws in force at that time, the possibility that new legitimate claims for damages may emerge in addition to those that are already the subject of several civil and criminal proceedings cannot be excluded.	

### B) Probable liabilities for which a provision for risks for contractual guarantees on sale of equity investments was recognised in the Balance Sheet:

Date started / Jurisdiction	Description of dispute
<b>Civil lawsuits and administrative proceedings concerning and/or related the sale of Agorà Spa, which owned 100% of the shares of Ausimont Spa</b> <b>Edison is a party to these proceedings in its capacity as universal successor to Montedison Spa</b>	
<b>Ausimont – Spinetta Marengo – Administrative proceedings – Internal areas</b>	
2012 Piedmont Regional Administrative Court	The case concerns activities that Solvay Specialty Polymers was ordered to carry out, under various titles, to ensure safety and environmental remediation of areas inside the Spinetta Marengo (AL) chemical plant. This plant was operated until 2002 by Ausimont Spa, a Montedison group company sold to the Solvay group in May 2002. Edison joined these proceedings exclusively to protect its rights and legitimate interests in connection with the challenges filed against the administrative actions of the relevant Services Conference by Solvay Specialty Polymers, which specifically contested the failure to identify Edison as a respondent or correspondent in the proceedings.
<b>Ausimont – Solvay Arbitration</b>	
May 2012 ICC – Geneva Milan Court of Appeals – Court of Cassation	These arbitration proceedings were initiated in 2012 by Solvay Sa and Solvay Specialty Polymers Italy Spa against Edison, for alleged violations of certain representations and warranties in the environmental area concerning the industrial sites of Bussi sul Tirino and Spinetta Marengo included in the deed of sale of Agorà Spa (parent company of Ausimont Spa) executed on the one hand by Montedison Spa and Longside International Sa and on the other hand by Solvay Solexis Spa (now Solvay Specialty Polymers) in December 2001. The proceeding, after an initial phase focused on preliminary and prejudicial issues, proceeded with the examination of the various requests formulated by the parties regarding the merits of the dispute and at the

	<p>end of June 2021, the Secretariat of the International Court of Arbitration at the International Chamber of Commerce notified Edison of the partial award with which the Arbitration Tribunal largely upholding the claims made by Solvay Specialty Polymers Italy in connection with the environmental guarantees provided by Montedison in the contract for the sale of Ausimont, signed in 2001, ordered Edison to pay damages quantified at approximately 91 million euros for the period from May 2002 (date of closing) to December 2016.</p> <p>The partial award shall be accompanied by a dissenting opinion of one of the members of the Arbitral Tribunal. The same award was immediately appealed by Edison before the competent Swiss courts. However, the appeal was rejected.</p> <p>In the parallel 'exequatur' proceedings of the partial award before the Court of Appeal of Milan, the judges, in a ruling published on January 24, 2023, rejected Edison's summons, recognizing the enforceability of the award in Italy.</p> <p>Edison therefore paid approximately 92 million euros, an amount that had already been reclassified from the existing specific risk provision to Other current liabilities at December 31, 2022.</p> <p>Edison has appealed against this ruling to the Supreme Court and the hearing was held on February 6, 2025 and is pending judgment.</p> <p>In the meantime, the arbitration proceeding proceeds with a further phase aimed at quantifying the further damage, if any, suffered by Solvay Specialty Polymers in the period after January 2017 and the interest rate applicable to such claim.</p> <p>On January 20, 2025, the Arbitration Court issued its final award, in which it ordered Edison to pay the sum of 90 million euros, covered by a specific risks provision at 31 December, 2024.</p>
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### C) Probable liabilities for which a provision for environmental risks was recognized in the Balance Sheet:

Following the new assessments carried out during the year, related to the increase in market costs and changes in the scope of the work to be carried out on certain sites, as well as the 'Environmental Pact' agreement signed with ENI, and consistent with the provisions for risks recognized in the financial statements, this section shows the main developments that occurred during the year on pending proceedings, including those related to the Mantua, Crotone and Bussi sul Tirino sites.

#### C.1 – Edison-ENI Environmental Pact

By way of introduction to the comments that follow, which refer in particular only to the sites of Mantua and Crotone, it seems appropriate to point out that on July 31, 2023, the companies Edison Spa, ENI Spa, ENI Rewind Spa and Versalis Spa entered into an agreement that will regulate the joint economic competition for the remediation interventions in execution of the projects decreed by the Ministry of the Environment for the sites so-called "formerly EniMont" (the sites contributed to the EniMont joint venture in 1990 by the ENI and Montedison groups respectively), starting a cooperation between ENI and Edison that will make use of the experiences and technologies acquired by ENI Rewind and Edison Next Environment (a company indirectly controlled by Edison Spa). The implementation of the site-by-site agreement, with related planning activities, sharing of costs resulting from approved reclamation projects and relations with institutions will be shared and coordinated by a joint technical-legal committee between the companies. Against this agreement, further significant adjustments were made to the specific risk provision during the year.

Date started / Jurisdiction	Description of dispute
<b>Mantua – Criminal proceedings</b>	
Court of Mantua	<p>The Public Ministry of Mantua decided to initiate criminal proceedings against some executive directors working for the Company over time since 2015 and some of the Company's representatives, due to alleged environmental offences, also relevant pursuant to Legislative Decree 231 of 2001, in relation to certain portions of the Mantua petrochemical plant subject to orders of the Province of Mantua, which were confirmed in the Council of State's ruling of April 2020, described in a separate section.</p> <p>Following the decision of the GUP of Mantua to send the defendants to trial, the trial before the Court of Mantua began on February 14, 2024 and we are currently in the trial phase.</p>

	<p>The Mantua petrochemical plant - which Edison (as the successor of Montedison) has not owned or managed since 1990 - was over time subject to a large-scale, detailed and complex program of environmental clean-up and reclamation activities which also regarded all of the areas relating to which the Public Prosecutor has decided to lodge proceedings. These activities were initiated and carried out for two decades, with significant although uneven progress, by the ENI group and, after the transfer in June 2020 of the relative operational reclamation projects following the Council of State ruling referred to above, Edison, which had already previously performed some preparatory activities, methodically took them over. For at least one of those areas, the reclamation was completed in compliance with the relative project, according to what has been confirmed by the Ministry for the Environment and the Province of Mantua.</p> <p>On these grounds, as well as for an extensive list of legal elements, the Company believes that the charges are completely first of all factually and also legally groundless, and it has already filed several defence briefs accompanied by quite considerable documentary evidence.</p>
<b>Mantua – Administrative proceedings</b>	
2012 - 2020 Lombardy Regional Administrative Court (BS) - Council of State - European Court of Human Rights	<p>In the past years, the Province of Mantua sent Edison numerous different orders pursuant to art. 244 of Legislative Decree 152/2006, which required securing and reclamation activities on just as many areas of the Mantua Site of National Interest, transferred from Montedison to the ENI group in 1990 along with the entire Mantua Petrochemical site.</p> <p>These orders were imposed although the environmental remediation obligations relating to the Mantua site had already been subject to two separate settlement agreements entered into by Edison with ENI (2003) and with the Ministry for the Environment (2005), respectively.</p> <p>Against all these ordinances, Edison filed separate appeals before the TAR Lombardy, Brescia Section, which in August 2018, consolidating many of them in a single hearing, rejected them en bloc. Edison then challenged this Regional Administrative Court decision before the Council of State. With decision of April 1, 2020, the appeal lodged by Edison was rejected. Edison, which considers this decision illegitimate, lodged appeals before the Court of Cassation and the Council of State, which rejected them. An independent appeal brought by the Company before the European Court of Human Rights is still pending.</p> <p>Other appeals before the Lombardy Regional Administrative Court were rejected in 2022. Edison appealed the relevant rulings before the Council of State, which rejected Edison's appeals with decisions dated December 31, 2024.</p> <p>At the same time, Edison, through its subsidiary Edison Regea Srl, is implementing remedial activities on the site, taking over from the companies in the ENI group in carrying out the remediation activities required by the aforementioned provincial ordinances.</p>
<b>Crotone – Criminal proceedings</b>	
2005 Court of Crotone	<p>Of the three disputes outstanding at the end of 2018, a single criminal case is currently pending against former executives and employees of the company Montecatini for alleged poisoning of the aquifer and, consequently, of the water used for food.</p> <p>The proceedings concluded with a dismissal. However, as the grounds were not deemed fully satisfactory, the Company decided to lodge an appeal. A hearing in the Court of Appeal was held in May 2024. It ended with a ruling confirming the dismissal of the case due to the statute of limitations of the offences. The deadline is pending for possible appeal in Court of Cassation.</p>
<b>Crotone – Administrative proceedings</b>	
2022 - 2024 Province of Crotone - TAR (Regional Administrative Court) Calabria	<p>The Province, as part of the preliminary activities relating to the process of identifying the party responsible for the contamination, asked Edison Spa, as the successor to Montedison, for a note on the reconstruction of the corporate history of the companies operating in the area within the SNI.</p> <p>On June 14, 2023, the Crotone Provincial Authority adopted Ordinance no. 1/2023 "against the parties identified as responsible for the pollution and contextual warning to provide, pursuant to art. 244, paragraph 2 of Title Five of the Fourth Part of Legislative Decree no. 152/2006 and subsequent amendments and additions, the execution and, if necessary, the integration of safety measures, remediation and environmental restoration of groundwater, soil and subsoil, including prevention measures and emergency safety measures - Areas of former plants Agricoltura, former Fosfotec, Kroton Gres 2000 - Industrie Ceramiche Srl - former Sasol Italy Spa and Service Landfill called "Farina Trappeto", located in the Municipality of Crotone. "S.I.N. of Crotone - Cassano - Cerchiara".</p> <p>Edison challenged the Ordinance, in order to have it annulled, before the TAR (Regional Administrative Court) Calabria-Catanzaro.</p> <p>Subsequently, on March 22, 2024, the Province of Crotone notified Edison that it had commenced proceedings to initiate the "provincial procedures to identify the party responsible for the pollution and warn it to take action, pursuant to Article 244, paragraph 2 of Title Five of Part Four of Legislative Decree no. 152/2006 as amended, for the execution of safety measures, reclamation and environmental restoration of groundwater, soil and marine waters, including prevention measures and emergency safety measures - Sites: Coastal marine area facing the Crotone SNI (disused industrial sites including the port area) and adjacent areas [...] located in the "Crotone-Cassano-Cerchiara SNI", with reference to the "coastal marine area facing the Crotone SNI (...) and body of water up to a distance of 450 m from the coastline included in the perimeter of the SNI".</p>

	<p>Edison challenged before the Calabria-Catanzaro Regional Administrative Court that notice of commencement of proceedings, together with the related, prior and consequential measures, in order to obtain its annulment.</p> <p>At the moment, the setting of the hearings for the discussion of the aforementioned appeals is pending.</p> <p>Finally, Edison has filed an appearance as a counter-interested party in the appeals brought by the Region of Calabria, the Province of Crotona and the Municipality of Crotona against note no. 27/2024 of the Ministry of the Environment, containing the determination of the positive conclusion of the decisive services conference, for the approval and authorization of ENI Rewind Spa's project. "<i>Former Pertusola seafront landfill and former Pertusola Nord and Agriculture Plant. Outline of the Phase 2 Land Remediation Project</i>". The related discussion hearings are scheduled for February 19, 2025.</p>
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## C. 2 - Bussi sul Tirino site - Ausimont areas

<b>Ausimont – Bussi sul Tirino – Administrative proceedings of remediation of so-called "Solvay internal areas" - plant area</b>	
December 18, 2019 TAR (Regional Administrative Court) Pescara	<p>On December 18, 2019, the Province of Pescara served Edison with an order pursuant to art. 244 of Legislative Decree No. 152/2006 (the "Environmental Code") for the remediation of the areas where the Ausimont plant in Bussi, which was sold to Solvay in 2002, was located.</p> <p>With regards to this measure, it should be stressed that: i) the area on which the facility is built was contributed to Ausimont from the date of its incorporation in 1981; ii) Ausimont, and only and exclusively Ausimont, operated that establishment continuously from 1981 to 2002 and it is during that time that the rules for the remediation of industrial sites affected by historical pollution came into force; iii) Ausimont's shares were transferred to Solvay Solexis Spa, now Solvay Specialty Polymers Italy Spa, in May 2002; iv) Ausimont was merged into Solvay Solexis in November 2002, resulting in the latter taking over any of Ausimont's legal positions as both defendant and plaintiff.</p> <p>With reference to this order, the legitimacy of which Edison firmly contests, the Company has filed an appeal before the TAR Abruzzo; the hearing was held on February 7, 2025 and is pending judgment.</p> <p>While the proceedings were pending, Edison and the previous owner of the land, Società Chimica Bussi, entered into a preliminary purchase and sale agreement on March 27, 2023, pursuant to which Tre Monti Srl (designated for this purpose by Edison) purchased the assets constituting the entire MIPRE/MISE system operating at the plant.</p>
<b>Ausimont – Bussi sul Tirino – Administrative proceedings regarding the reclamation of the so-called "Solvay external areas", areas 2A and 2B</b>	
February 28, 2018 TAR Pescara / Council of State / European Court of Human Rights	<p>On February 28, 2018, the Province of Pescara notified the companies Solvay Specialty Polymers Italy Spa and Edison Spa that it was initiating proceedings pursuant to Title V Part IV of Legislative Decree No. 152/2006 to identify the party liable for the contamination of the "Solvay External Areas" or "North areas" in Bussi sul Tirino, landfill areas 2A and 2B and adjoining areas.</p> <p>Subsequently, on June 26, 2018, the Province of Pescara served Edison with an order pursuant to art. 244 of Legislative Decree No. 152/2006 (the "Environmental Code") for the removal of all waste dumped over time in the above-mentioned areas of the Bussi site.</p> <p>With regard to this measure, it is necessary to note that: i) the portions of land in question were contributed to Ausimont since its date of establishment in 1981; ii) Ausimont, and only and exclusively Ausimont, obtained authorization to run, built, managed and closed landfills 2A and 2B located on such portions of land; iii) the shares of Ausimont were transferred to Solvay Solexis Spa, today Solvay Specialty Polymers Italy Spa, in May 2002; iv) Ausimont was merged with Solvay Solexis in November 2002, with the latter becoming successor of any and all legal positions lodged by and against Ausimont.</p> <p>Edison, deeming this order illegitimate, challenged the decision before the Regional Administrative Court of Pescara, which however dismissed the Company's appeal. Edison has therefore filed an appeal before the Council of State.</p> <p>With a ruling published on April 6, 2020, the Council of State confirmed, although requalifying its scope and content, the decision of the Province of Pescara and the subsequent ruling of the Pescara Regional Administrative Court in relation to the reclamation procedure for the "North" areas of the Bussi sul Tirino site. An independent appeal brought by the Company before the European Court of Human Rights is still pending.</p> <p>Therefore, on June 11, 2021, the decision was published by which the Council of State rejected the appeal by the Ministry of the Environment against the sentence of the Abruzzo Regional Administrative Court "regarding the cancellation of the award of the integrated contract relating to decontamination works in the 'Solvay external areas' located in the Municipality of Bussi sul Tirino". The Ministry had, in fact, annulled the tender procedure that in 2019, had awarded to an ATI headed by the Belgian company Dec Deme the decontamination of the areas so-called 2A and 2B, sold by Montedison to Solvay in 2002 together with Ausimont. These areas are now owned by the Municipality of Bussi.</p> <p>Edison, which was already completing the safety works in these areas (not carried out by Solvay) pursuant to the ruling of the Council of State of April 2020, is implementing, through its subsidiary Edison Regea Srl, the operational project for the removal of waste under its responsibility.</p>

**C.3 - Bussi sul Tirino and Spinetta Marengo sites - other areas**

<b>Bussi sul Tirino National Interest Site – “former Montedison Srl” area and Bolognano site</b>	
2011 and 2018 Regional Administrative Court of Pescara/Council of State	<p><b>“Former Montedison Srl” area:</b> on 14 July 2021, Edison sold an 80% stake in Tremonti (whose name was changed at the same time to Tre Monti), a company specialized in soil and groundwater remediation services; subsequently, on July 1, 2024, Edison sold the remaining stake in Tre Monti. The company is now owned by Ambientthesis, Herambiente (Hera group) and Edison Regea and is responsible for carrying out remediation work in the Tre Monti area of the Site of National Interest (SNI) of Bussi sul Tirino (PE). The area, for which complex environmental procedures have been underway for many years, is currently the subject of a wide-ranging and articulated project for the restoration and removal of historical waste in agreement with the competent bodies and, in particular, with the Ministry of the Environment. Acceptances of the first intervention lots have already taken place.</p> <p><b>Bolognano site:</b> with reference to the Piano D’Orta site in the Bussi SNI and the clean-up and environmental restoration activities for the “former Montecatini” area in the Municipality of Bolognano (PE), it should be noted that the activities envisaged in the Outline Project have been completed, with the removal of “production” materials (R2), and additional investigations on the neighboring areas (eastern sector) will be carried out shortly. The Operational Waste Removal Project (PORR) on the adjacent area known as ‘Compartment Z’ has been approved by the Public Administration and, therefore, Edison, through its subsidiary Edison Regea Srl, is preparing the monitoring plan and the related executive project for the implementation of the project, with the presentation of the excavation plan to the Public Administrations.</p> <p>With reference to the Piano d’Orta site, a number of disputes are also pending before the Regional Administrative Court (TAR) and the Council of State concerning the legitimacy and proper fulfillment of obligations related to the reclamation operations as well as the activities that are prodromal thereto (demolition of existing buildings). At present, no hearings have been scheduled before the Regional Administrative Court; the pending cases before the Council of State were discussed in mid-February and a decision is pending.</p>
<b>Bussi sul Tirino National Interest Site – Tirino river</b>	
July 2022 Regional Administrative Court of Pescara	<p>On July 22, 2022, Edison was notified of the order pursuant to art. 244 of Legislative Decree 152/2006 by the Province of Pescara in which Edison was identified as being “responsible for the contamination of the sediments of the Tirino river in the stretch from upstream to downstream of landfills 2A 2B and surrounding areas”. Edison, through its subsidiary Edison Regea Srl, has agreed with the Public Administration on a sediment survey plan and the related activities are now in the start-up phase.</p> <p>Edison decided to challenge the order before the Pescara TAR (Regional Administrative Court).</p>
<b>Ausimont – Spinetta Marengo – Environmental administrative proceedings – External areas establishment</b>	
2024 Piedmont Regional Administrative Court	<p>With reference to the areas outside the plant, on April 24, 2024, Edison was notified of the order issued by the Province of Alessandria whereby the same Company was identified as being responsible for the contamination of the soil and co-responsible (together with Solvay) for the contamination of the groundwater. The supplementary soil and groundwater investigation plans have been approved by the Public Administration and, limited to the activities for which Edison is responsible, the procedure for the selection of the operator in charge of their execution is underway by the subsidiary Edison Regea Srl.</p> <p>Edison decided to challenge the order before the Piedmont Regional Administrative Court and to join the appeal brought by Solvay. The hearing for both appeals is set for February 19, 2025.</p>

## C.4 - Other Sites

<b>Piazzola sul Brenta (PD) - Administrative Proceedings</b>	
August 2023 Province of Padua - TAR (Regional Administrative Court) Veneto	<p>The Province of Padua, by ordinance pursuant to Art. 244 of Legislative Decree 152/06, ordered Edison Spa to start a remediation procedure at its own expense of a former Montecatini site in Piazzola sul Brenta (PD), after various substances from the site contaminated the subsoil of a nearby school. According to media reports, a survey conducted in 2020 found high levels of metals, heavy hydrocarbons, fluorides, sulphates and various other substances at the site, which is currently used as a car park for buses. According to the Province, the site belonged to Montecatini, which was incorporated into Montedison and later became Edison Spa. The area was allegedly sold by Montecatini over 60 years ago to third-party companies. The Province of Padua acquired the land in 1984 and has now - unilaterally - established that the pollution is attributable to the operations carried out by Montecatini on the site, thereby making Edison Spa liable for the pollution and its obligation to provide for its remediation.</p> <p>On October 30, 2023, Edison lodged an appeal against this provincial measure with the Veneto Regional Administrative Court (TAR); at the moment, it is awaiting the setting of the hearing for discussion.</p>
<b>Vercurago (LC) – Administrative proceedings</b>	
March 2023 Province of Lecco Tar Lombardy	<p>In March 2023, the Province of Lecco adopted the ordinance concerning the "Area SAFILO in the Municipality of Vercurago (LC) - ART. 244 of Legislative Decree 152/2006 "Ordinances" - Identification of the party responsible for the contamination" (prot. no. 13844/2023 of March 8, 2023) by which it ordered Edison, Pirelli &amp; C. Spa, Safilo Srl and Fiocchi Munizioni Spa to perform all the activities provided for by Title V, and in particular by Articles 242 and 244 of Legislative Decree 152/2006, as amended:</p> <ol style="list-style-type: none"> <li>submitting, within 90 days from the notification of this measure, to the Municipality of Vercurago and to all the Entities involved in the proceedings concerning the Site under examination, a specific remediation/operational safety/permanent project;</li> <li>carrying out and completing at its own expense the reclamation work to be approved by the Municipality of Vercurago</li> </ol> <p>Edison filed an appeal, which was subsequently rejected by the TAR Lombardia.</p> <p>In November 2023, the Province intervened on the subject of the ordinance by revoking point 1 above.</p>
<b>Legnago (VR) – Administrative proceedings</b>	
April 2023	<p>Edison, as universal successor of Montedison, is involved in the decontamination proceed of the 'Ex-Pasqualini' area in Legnago, Verona. The intervention is being carried out in agreement with the Legnago Municipality and ARPAV, the area concerned is about 13 hectares.</p>

In addition, there are **contingent liabilities**, which are dependent on the occurrence of events that are possible, but not probable, or are probable but their impact cannot be quantified reliably and the corresponding cash outlays cannot be reasonably estimated, for which risk provisions are not recognized and are only discussed in the comments to the notes.

### Contingent liabilities associated with legal disputes

<b>Environmental Legislation</b>
<p>In addition to the probable liabilities for environmental risks, already covered by provisions and previously described, in recent years, we have witnessed an expansion and evolution of environmental laws (most recently with Legislative Decree No. 152 of April 3, 2006 "Environmental Regulations", as amended), specifically with regard to liability for environmental damages, which is especially relevant to the purposes of these notes. In particular, the discussion and adoption in several legal systems of the principle of "internalization" of environmental costs (summarized in the expression "those who pollute must pay") have resulted in the development of two new types of liabilities for the act of polluting: objective liability (which does not require the subjective element of guilt) and indirect liability (which stems from the actions of others), which can arise as a result of an earlier act that constitutes a violation of acceptable contamination levels under current laws. Therefore, taking into account the current and past scope of the industrial operations of the Company and the Group, particularly in the chemical industry, which were carried out in full compliance with the statutes then in force, it cannot be excluded that, in light of current legislation, new allegations of contaminations may arise, in addition to those currently subject to administrative and judicial proceedings.</p>

Date started / Jurisdiction	Description of dispute
April 8, 2019	<p data-bbox="164 241 1182 271"><b>Ausimont - Bussi sul Tirino - Civil proceedings for compensation for alleged environmental damage</b></p> <p data-bbox="392 275 520 297"><b>Introduction</b></p> <p data-bbox="392 304 1407 448">The proceedings concern the alleged environmental damage purportedly caused by the chemical activities carried out by companies related to the Montedison group in the last century. This proceeding concerns all areas of the Bussi SNI subject to actual, or alleged, contamination resulting from chemical activities attributable to the Montedison Group, without considering whether any remediation work has been completed or is underway on these areas.</p> <p data-bbox="392 454 1407 566">The proceedings began after a long and complex criminal proceeding that led, in 2018, to the full acquittal by the Court of Cassation with sentence no. 47779/18 of 19 defendants, all former employees and managers of the Montedison group, for the crime of environmental disaster related to the management of the site between the 1960s and 1990s.</p> <p data-bbox="392 573 1182 595">It should be noted that Edison was excluded ex-lege from the criminal proceedings.</p> <p data-bbox="392 602 1407 683">As mentioned in the preceding pages, Edison is currently active at the Bussi site with a variety of remediation and environmental restoration projects and an investment plan, both ongoing and in the start-up phase, which is extremely significant also in economic terms (over 200 million euros, see below).</p> <p data-bbox="392 719 954 741"><b>The subject of the proceedings and technical expertise</b></p> <p data-bbox="392 748 1407 860">On April 8, 2019, the Ministry of the Environment and the Protection of the Territory and the Sea, the Abruzzo Region, and the Presidency of the Council of Ministers brought Edison Spa and six of the defendants, who had already been involved in the criminal trial for the same events, before the Court of L'Aquila asking the judge to:</p> <ol data-bbox="440 866 1407 1384" style="list-style-type: none"> <li>a) <i>"ascertain and declare that the defendants are obliged to answer for the environmental damage resulting from the pollution events," allegedly occurred in the industrial area of Bussi sul Tirino and, "as a result," to "condemn the defendants to compensate the environmental damage in favor of the Ministry of the Environment and the Protection of the Territory and the Sea, quantified at 1,376,954,137 euros, subject to better quantification during the trial;</i></li> <li>b) <i>condemn the defendants to restore the state of the places, including naturally, through the execution, at their own expense, of environmental repair interventions in the forms and times regulated by the reference legislation;</i></li> <li>c) <i>condemn the defendants to reimburse all expenses that will be found to have been anticipated and/or incurred in substitution by the Ministry of the Environment;</i></li> <li>d) <i>condemn the defendants to compensate all damages, both patrimonial and non-patrimonial, additional to the environmental damage, resulting from the injury to the environment and the injury to the protected goods/interests of the Abruzzo Region, to be liquidated equitably and in any case in an amount not less than 500,000,000 euros;</i></li> <li>e) <i>condemn the defendants to compensate all damages, both patrimonial and non-patrimonial, additional to the environmental damage, caused to the Abruzzo Region and the Presidency of the Council of Ministers [and] the damage to the image in the amount that the Court will deem fair, and in any case not less than 50,000,000 euros".</i></li> </ol> <p data-bbox="392 1391 1407 1559">As mentioned in the introduction, the charges concern the areas of the SNI of Bussi and mainly the management of the Bussi plant, transferred by Montedison (now Edison) to the Ausimont/Montefluos group in 1981, the 2A and 2B landfills, opened, cultivated, and closed by Ausimont in the 1990s, and the so-called "Tre Monti" area, currently owned by Tremonti Srl, an area where production residues from the same plant were deposited in the 1970s and for which an important remediation process is currently in an advanced stage.</p> <p data-bbox="392 1565 1407 1677">Edison appeared in court on July 18, 2019, firmly contesting the opposing requests on several grounds, from the inapplicability in this context of what was established in the criminal proceedings to the lack of passive legitimacy, from time bar to the legality on the merits of the conduct under scrutiny and, finally, to the erroneous quantification of the possible environmental damage.</p> <p data-bbox="392 1684 1407 1796">The judge, after a reservation lasting over a year on the preliminary and prejudicial issues raised by Edison and on the assumption of the means of proof requested by the parties, with an order dated November 10th, 2021, provided for i) the postponement of the examination of Edison's preliminary and prejudicial requests to the merits and ii) the admission of testimonial evidence and a court-appointed technical consultancy.</p> <p data-bbox="392 1803 1407 1861">On June 19th, 2024, the "draft" of the court-appointed technical consultancy report was received by the parties' defenses.</p> <p data-bbox="392 1868 1407 1912">In the conclusions regarding the compensation obligations that would be incumbent on Edison, this "draft" report stated the following:</p> <ol data-bbox="440 1919 1407 2022" style="list-style-type: none"> <li>a) <i>"The primary repair measure, aimed at restoring the damaged resources to their original conditions, is estimated at 347,443,900 €;</i></li> <li>b) <i>The complementary repair measure is estimated at 324,051,840 euros;</i></li> <li>c) <i>The compensatory repair measure is estimated at 228,132,495 euros;</i></li> </ol>

	<p><i>In total, therefore, the aforementioned repair measures are estimated at 899,628,235 euros”.</i></p> <p>However, the same draft, in making these estimates of the "repair measures," admitted that it "[had not] taken into account the activities already carried out and ongoing by Edison," as, on the contrary, had been explicitly requested by the judge.</p> <p>The parties' technical consultants had until December 2024 to make their considerations and counter-arguments; subsequently, the court-appointed technical consultants filed the final report, in which they took into account some of the counter-arguments made by Edison's technical consultants, without, however, modifying the conclusions of the draft.</p> <p><b>Evaluations regarding the court-appointed technical expertise and the state of the proceedings</b></p> <p>The court-appointed technical consultancy, with its conclusions, appears completely illogical and unacceptable for a series of factual and legal reasons, succinctly listed below.</p> <p>According to the constant jurisprudence of merit and legitimacy in environmental matters, the compensation for environmental damage, as regulated by Part VI of Legislative Decree April 3, 2006, no. 152, is informed by the principle, expressed in paragraph 1 of article 311, according to which it must take place "in specific form," through the restoration and repair of the contaminated environmental matrices, excluding forms of compensation for economic equivalent.</p> <p>The expertise, however, totally omits to consider the significant restoration activities in progress, carried out by Edison, limiting itself to quantifying a form of compensation for equivalent, in clear contrast with this principle.</p> <p>Therefore, the "primary repair measure," the only legitimate damage item among those hypothesized by the court-appointed technical consultancy, can only coincide with the specific restoration interventions carried out and ongoing, which affect all the areas and zones covered by the technical consultancy itself.</p> <p>To date, for environmental remediation and restoration activities, thus "primary repair measures", in the areas covered by judgment and the expertise Edison has already spent, or plans to spend, about 240 million euros. Of this the expertise gives no account, as noted above, thus blatantly diverging from the mandate given by the judge.</p> <p>This, in itself, makes the conclusions on the court-appointed technical consultancy's "primary repair" measures incongruous, unacceptable and erroneous.</p> <p>As for the "other repair measures" hypothesized by the court-appointed technical consultancy, the following is noted.</p> <p>Environmental law considers forms of "complementary repair" for environmental damage admissible only in cases where the remediation and restoration activities have not achieved, ex post, the desired effects and never, in any case, qualify them in an economic equivalent.</p> <p>In this case, however, and as mentioned, the restoration activities of the Bussi site are currently in full swing, and there is no evidence of even partial "ineffectiveness" of the same (indeed, the environmental matrices are significantly improving).</p> <p>Furthermore, the expertise limits itself to estimating an equivalent economic value, in clear contrast with the applicable regulations.</p> <p>Finally, the court-appointed technical consultancy quantifies "compensatory repair measures," which are those that the legal system recognizes as admissible in cases where the contamination of environmental matrices has excluded, in whole or in part, their usability for end users.</p> <p>In this regard, it is noted that since the start of the judicial proceedings to date, the lack of usability requirements of relevant environmental matrices has never been recognized and ascertained.</p> <p>All these conclusions are fully confirmed by both the environmental experts, appointed to carry out the expertise on behalf of Edison, and the Company's defense team.</p> <p>As for the proceedings, it is noted that after the filing of the technical reports, an interruptive event of the process occurred. Edison is now awaiting the hearing in which the judge will grant the terms to notify all parties involved in the process of the act of resumption filed by the defenses of the Ministry of the Environment.</p> <p>In light of the above and considering that the proceedings are still pending in the instruction phase, the timing for the issuance of the first-degree decision is currently unpredictable.</p> <p>With reference to this dispute, Edison, based on evaluations shared with leading legal and accounting advisors, believes that, on the one hand, the conclusions of the court-appointed technical consultancy are incongruous, illogical and erroneous both in substance, and in law, and, on the other side, the necessary requirements to define a provision do not still exist.</p>
<b>Bussi sul Tirino - Claim for damages Municipality of Bussi</b>	
September 25, 2023	On September, 25, 2023, the Municipality of Bussi served a writ of summons on the Company before the Civil Court of Pescara seeking compensation for the damages allegedly suffered by the local authority as a result of the alleged contamination found in the Municipality of Bussi - including, in particular, damage to its image - quantified in total at 20,000,000.00 euros. The following natural persons were also defendants in the aforementioned case: Maurilio Aguggia, Carlo Cogliati, Nicola Sabatini, Domenico Alleva, Nazzareno Santini, Carlo Vassallo. The hearing on the record, originally set for March 30, 2024, was last postponed to

	January 15, 2025. At present, the proceedings appear to be discontinued and will have to be resumed by the Municipality of Bussi.
<b>Bussi sul Tirino - Claim for damages Municipality of Tocco da Casauria</b>	
April 22, 2024	On April 22, 2024, the Municipality of Tocco da Casauria served a writ of summons on the Company before the Civil Court of Pescara seeking a declaration that Edison is liable, pursuant to Articles 2043 and 2059 of the Italian Civil Code, for the damage suffered by the Municipality of Tocco da Casauria for the harm caused to its territorial identity, reputation and image as a result of the alleged contamination found in the Municipality of Tocco da Casauria (within the perimeter of the Bussi sul Tirino SNI). The aforementioned damages will be quantified, if necessary, in a subsequent special judgment. The hearing is set for March 5, 2025.
<b>Bussi sul Tirino Site of National Interest - Areas adjacent to the Tremonti landfill, Tirino river sediments and Pescara river sediments</b>	
July 2024 Regional Administrative Court Pescara	On July 18, 2024, Edison was notified of the order pursuant to art. 244 of Legislative Decree 152/2006 of the Province of Pescara, by which Edison was identified as the party responsible for the contamination of the areas adjacent to the Tremonti landfill in Bussi sul Tirino, and ordered it to adopt preventive and/or safety measures, as well as "further land reclamation and environmental restoration operations that may be necessary". Preliminary activities to fulfil the requirements of the aforementioned order are being implemented. Edison decided to challenge the order before the Pescara TAR (Regional Administrative Court). Against the aforementioned order, RFI Spa lodged an extraordinary appeal before the President of the Republic. On December 27, 2024, Edison served the notice of opposition for the relevant transposition to the courts.
<b>Montecatini Spa – Montefibre Spa – Verbania – Criminal Proceedings</b>	
2002-2015 Court of Verbania / Turin Court of Appeals / Court of Cassation	All these trials concern the alleged responsibility of former Directors and executives of the Montedison group for the crimes of involuntary manslaughter and involuntary personal injuries in the violation of the occupational accident prevention regulations, caused in connection with the death or illness of employees of Montefibre Spa at the old plant Montefibre of Pallanza (VB) allegedly caused by exposure to asbestos. Edison Spa is exclusively involved in its capacity as the former parent company (until 1989) of Montefibre. To date, all proceedings have led to the acquittal of the defendants on all counts ("because the fact does not exist").
<b>Port of Augusta - Administrative Proceedings</b>	
2020	In 2020, the Minister of Ecological Transition and the Region of Sicily signed a program agreement for the definition of safety and reclamation measures for the areas included in the "Priolo" Site of National Interest, including the port of Augusta, the portion of the marine area facing the Priolo Gargallo industrial site. As is well known, Priolo is still home to an important petrochemical plant, operated by Montecatini and then Montedison until 1989 and then passed to the ENI group in 1990 following the events surrounding the Enimont company.

## 10. OTHER NOTES

### 10.1 Other Commitments

<i>(in millions of euros)</i>	12.31.2024	12.31.2023	Change
Guarantees provided	1,606	2,525	(919)
Other commitments and risks	74	106	(32)
<b>Total</b>	<b>1,680</b>	<b>2,631</b>	<b>(951)</b>
<b>Maturity:</b>			
- 1 to 3 months	520	797	(277)
- More than 3 months and up to 1 year	493	511	(18)
- After 1 year	667	1,323	(656)
<b>Total</b>	<b>1,680</b>	<b>2,631</b>	<b>(951)</b>

**Personal guarantees provided** were determined based on the potential amount of the commitment not discounted at the reporting date. In particular, the personal guarantees provided include:

- guarantees issued by the Company or by banks counter-guaranteed by the Company on behalf of Edison, its subsidiaries and associated companies, mainly for contractual obligations, such as: guarantees required to operate on the Power Exchange in favor of the GME, and on the natural gas balancing market in favor of SNAM, as well as sureties issued to individual operators with whom the Company engages in buying and selling electric power and natural gas;
- 226 million euros, a decrease of 33 million euros compared to 2023, guarantees issued in favor of the Revenue Agency, the reduction of which is attributable to the combined effect of the refunds of VAT credits in 2018 and the issuance of new guarantees in favor of the Revenue Agency whose originators are subsidiaries and associates and related to further refunds of VAT credits;
- 95 million euros for guarantees issued on behalf of Elpedison Sa in favor of banks that purchased the Bond Loans issued by Elpedison or have granted it credit lines;

**Other commitments and risks** mainly refer to commitments for the completion of ongoing investments to be carried out in the next few years, including 4 million euros for hydroelectric plants and 37 million euros for thermoelectric plants.

It should be noted, that in the financial year 2024, investment commitments decreased compared to the financial year 2023, in particular for:

- the repayment, in the first half of the year, of the 700 million euros guarantee issued by SACE Spa, as part of the initiatives to support Italian companies, known as SupportItalia, in favor of the banks that granted Edison the 1 billion euros revolving credit line in 2023;
- 31 million euros following the progress of work on the Presenzano (CE) power plant.

For further information, see Chapter 5 of Invested Capital.

## Unrecognized Commitments and Risks

It should be noted that Gas Operations have contracts for the import of hydrocarbons for a total nominal supply of 12.6 billion m3/year. These contracts typically have an extended duration (as at December 31, 2024 up to 20 years) and therefore their margins are susceptible to change over time as conditions change in the economic and external competitive context and the commodity scenarios used as a reference in the purchase cost/sale price indexing formulas. The presence of procurement price renegotiation clauses as well as revisions of flexibility conditions thus represent important elements to partially mitigate the risk noted above to which the parties may make recourse during contractual windows that open periodically.

The table below provides a breakdown of the timing for the supply of natural gas, based on minimum contractual deliveries:

		within 1 year	from 2 to 5 years	beyond 5 years	Total
Natural gas	illions of cubic metre	12,0	41,3	45,97	99,27

The economic values are according to the prospective price formulas.

Please also note the expected medium-term launch of an additional supply that will significantly contribute to the diversification and competitiveness of the Edison gas supply portfolio, or:

- the agreement developed with Venture Global for 1 million tons per year of LNG for 20 years (equivalent to roughly 1.4 billion m3/year of natural gas) coming from the Calcasieu Pass plant (Cameron Parish, Louisiana, USA) based on the contract for the hire of an LNG vessel that is currently being built.

Furthermore, based on the agreement in place with Terminale GNL Adriatico, Edison benefits from about 76% of the terminal's regasification capacity until 2025. From 2026 until 2034, the subscribed capacity increases to about 67% on the basis of an increased overall capacity of the Terminal.

## 10.2 Intercompany and related-party transactions

Within the Group, the Parent company Edison Spa operates in the purchase, sale, exchange and supply of electricity and natural gas, with particular regard to the subsidiaries and affiliated companies, as well as the buying/selling of environmental securities. As regards the mix of sources and total funding of the Company, special sale agreements are in place with the subsidiary Edison Energia Spa, which, nonetheless, allow the selling party, taking account of the specific roles that the companies play within the Group, to have adequate coverage of both fixed and variable costs. In line with the related Company policies, the economic, equity and financial transactions in place as at December 31, 2024, with related parties, are shown below, in accordance with the disclosure required by IAS 24. These transactions are implemented under the scope of normal operations and regulated at contractual conditions established by the parties in line with ordinary market practice. The table below summarizes the Company's related-party transactions:

(in millions of euros)	Related parties in accordance with IAS 24			Total for related parties	Total for financial statement line item	% impact
	Edison Group companies (A)	Parent companies (B)	With other EDF Group companies (C)			
<b>Balance sheet transactions</b>						
Equity investments	1,574	-	-	1,574	1,574	100.0%
Non-current financial assets from subsidiaries and affiliated companies	810	-	-	810	810	100.0%
Other non-current financial assets	9	-	-	9	17	52.9%
Other non-current assets	2	-	-	2	24	8.3%
Fair value non-current assets	1	5	28	34	52	65.4%
Trade receivables	551	-	349	900	1,749	51.5%
Current tax assets	-	101	-	101	115	87.8%
Other current assets	177	4	27	208	455	45.7%
Fair value current assets	5	35	81	121	540	22.4%
Current financial assets from subsidiaries and affiliated companies	343	3	-	346	346	100.0%
Cash and cash equivalents	-	878	-	878	887	99.0%
Fair value non-current liabilities	1	-	16	17	24	70.8%
Trade payables	68	5	132	205	1,921	10.7%
Other current liabilities	2	1	4	7	435	1.6%
Fair value current liabilities	6	3	271	280	643	43.5%
Current financial payables	11	22	-	33	153	21.6%
Current financial payables to subsidiaries and affiliated companies	353	-	-	353	353	100.0%
<b>Income statement transactions</b>						
Sales revenues	4,630	23	3,753	8,406	12,721	66.1%
Other revenues and income	42	1	24	67	117	57.3%
Costs for commodities and logistics (-)	(340)	(4)	(653)	(997)	(11,160)	8.9%
Other costs and external services (-)	(1)	(34)	(5)	(40)	(419)	9.5%
Staff costs (-)	(8)	-	-	(8)	(172)	4.7%
Other expenses (-)	-	(1)	-	(1)	(64)	1.6%
Net change in fair value of derivatives	2	-	(457)	(455)	(1)	n.m.
Other net income (expense) - non-energy activities	(43)	-	-	(43)	(631)	6.8%
Net financial income (expense) on net financial debt (available funds)	40	43	-	83	68	n.m.
Other net financial income (expense)	(1)	26	(3)	22	7	n.m.
Revaluations (write-downs) from equity investments	35	-	-	35	34	n.m.
Dividends	148	-	-	148	148	100.0%

## A) Intercompany transactions

Transactions between Edison Spa and its subsidiaries and affiliated companies and its parent companies consist primarily of:

- commercial transactions involving the buying and selling of electric power, natural gas and environmental securities;
- transactions involving contracts for the provision of services (technical, organizational, legal and administrative) by headquarters staff functions;
- financial transactions involving lending, risk hedging and current account facilities established within the framework of the cash pooling system with its subsidiaries;
- transactions required to file a consolidated VAT return for the Company (so-called VAT Pool).

In particular, **trade receivables** are mainly from the subsidiary Edison Energia Spa, the same as regards **sales revenues**.

With the exception of transactions related to the VAT Pool and the consolidated corporate income tax return, which are executed first of all pursuant to law, all of the transactions listed above are governed by contracts with conditions that are consistent with market terms, i.e., the terms that would be applied by two independent parties.

### Consolidated VAT Return

Edison Spa has a consolidated Group VAT return in place (so-called VAT Pool), that includes the Edison group companies that meet the requirements of art. 73, paragraph 3 of Presidential Decree No. 633/72). The payment of Group VAT relating to 2024 presented a credit of 132 million euros due from the tax authorities.

## B) Transactions with controlling companies

### B.1 With Transalpina di Energia (TdE)

#### Consolidated Corporate Income Tax (IRES) Return Filed by TdE

With respect to the consolidated tax return, it shows a payable of the Company of 101 million euros; please refer to as commented on in chapter 8. "Taxation".

#### Intercompany current account

At December 31, 2024, the current account between Edison Spa and Transalpina di Energia Spa has a debit balance of approximately 22 million euro (debt of 11 million euros at December 31, 2023). During the year, interest expenses accrued amounted to approximately 9 million euros (about 1 million euro at December 31, 2023).

## Dividend payment

It should be noted that following the resolution of the Shareholders' Meeting of March 27, 2024, Edison Spa paid a dividend of 345 million euros to Transalpina di Energia Spa on April 24, 2024.

## B.2 With EDF Sa

### Cash pooling

At December 31, 2024, the current account established by Edison Spa, dedicated to the cash pooling transaction with EDF Sa, had a credit balance of roughly 878 million euros (credit of 1,201 million euros at December 31, 2023).

### Other transactions

For the main economic relations, the following should be noted:

- operating costs equal to 33 million euros refer in particular to insurance costs, royalties for trademark use, the provision of services, as well as the charge-backs of corporate costs, basically linked to remuneration for members of the Board of Directors;
- revenues and income for a total of 4 million euros mainly relating to the services provided for the management of activities relating to the gas portfolio.

As part of financial operations, Edison signed exchange risk hedging operations which, influenced by currency trends, recorded realized net financial income of 26 million euros (realized net financial expense of 22 million euros at December 31, 2023), recorded under the item Other net financial income (expenses). Also in this area, a gain of about 18 million euros and expenses of about 2 million euros, related to commodity exchange rate risk hedges, were recognized respectively under Sales revenues and Commodity and logistics costs.

The fair value of the outstanding derivatives in Cash Flow Hedge and Economic Hedge with EDF Sa is estimated at a net positive amount of approximately 37 million euros, which is recorded under Fair Value (40 million euros under Assets and 3 million euros under Liabilities).

## C) Transactions with other companies of EDF group

### C.1 Loans

There are no outstanding financing relations with other EDF group companies.

### C.2 Other operating transactions

The main transactions with other EDF group companies are essentially commercial in nature and almost all with respect to EDF Trading Ltd, in particular:

- with regard to EDF Trading, it is worth mentioning that in 2023, Edison Spa trading activities are carried out within the framework of the joint venture agreement with EDF Trading: effective January 1, 2023, the agreement was renewed, which, like the previous one, governs both proprietary trading activities, carried out through a joint desk with EDF Trading, and access to the forward power market, the terms and conditions and costs of which have been revised. In this context, other revenues and income of about 12 million euros (about 16 million euros at December 31, 2023) are recorded under "Other revenues and income";
- Cash Flow Hedge, Fair Value Hedge and Economic Hedge derivatives are in place; the estimated fair value of these derivatives is shown in the statement of financial position under Fair Value in current and non-current assets and liabilities (net liabilities of 178 million euros); the estimated economic effects, mainly related to Fair Value Hedge contracts, are recognized in the income statement under "Net change in fair value of derivatives".

Furthermore, note that during the year, insurance claims of around 12 million euros were paid by Wagram Insurance Company.

## 11. VALUATION CRITERIA

### 11.1 Use of estimated values

The preparation of the financial statements and of the notes required the use of estimates and assumptions both in the measurement of certain assets and liabilities and in the valuation of contingent assets and liabilities. The actual results that arise upon the occurrence of the relevant events could differ from these estimates.

Estimates and assumptions are revised on a regular basis, and the impact of any such revision is immediately accounted.

The use of estimates is particularly significant for the following topics:

- the evaluation that property, plant and equipment and intangible assets, including goodwill, are recognized in the financial statements for a value no higher than their recoverable amount (“impairment testing”). First and foremost, the impairment testing process calls for testing the sustainability of the value of the individual assets broken down into Cash Generating Units (CGUs) and, subsequently, a test on goodwill with reference to the aggregates of the CGUs to which it was allocated (“Generation & Flexibility” and “Gas Supply & Development of Green Gases”). The CGUs, which have been identified in a way that is consistent with the Group’s organizational and business structure, are assets that generate cash inflows independently, through their continued use; technologies and target markets were also taken into account, further distinguished, where appropriate, by the reference country. At each reporting date, Edison verifies whether there is any indication that an asset may have suffered a loss in value (impairment indicator), with the exception of goodwill, which is annually subjected to mandatory impairment testing.

IAS 36 defines the recoverable amount as the higher of the fair value of an asset or cash generating unit, less costs to sell, and its value in use. Thus, the recoverability of the value of fixed assets is verified by comparing the carrying amount recorded in financial statements with the related recoverable value, after deducting from both the values of any risk provision recognized for costs to decommission and remediate sites.

The recoverable amount is calculated as the value in use through the discounting of cash flows expected from the use of the asset or a CGU as well as the amount expected from its disposal at the end of its useful life. This process entails the use of estimates and assumptions to determine both the amount of future cash flows and the corresponding discounting rates.

Future cash flows are based on the most recent economic-financial plans developed by the management with reference to the functioning of productive assets (production, operating and capital expenses, useful life of the assets), the market environment (sales, prices of reference commodities, margins) and the evolution of the regulatory and legislative framework. In particular, in developing future cash flows, reference was made to:

- the 2025 budget approved by the Board of Directors on December 6, 2024;
- the 2026-2028 Medium-Term Plan approved by the same Board;
- the long-term plan drawn up by senior management.

When the valuation entails estimate beyond the forecast period included in the economic-financial plans developed every year by the management, projections based on conservative growth assumptions are used.

The valuation of assets entailed an estimation of cash flows until the end of the useful life of the fixed assets including, if present, a residual value when activities are completed.

Specifically, to determine the recoverable amount of goodwill, a terminal value was calculated that is consistent with the long-term plan based on business continuity assumptions. In detail were valued: the investment costs necessary for the renewal of the expiring hydroelectric concessions, the repowering of thermoelectric assets and renewable power plants, and the investments necessary for the sustainability of a normalized cash flow over long term for other business (in particular for long-term supply contracts).

These assumptions and the corresponding financials were deemed to be suitable for impairment test purposes by the Board of Directors of February 19, 2025, which approved the results.

With reference to the businesses in which Edison Spa operates, the factors with the greatest importance in estimating future cash flows are:

- for the Generation & Flexibility business area CGUs: the PUN and Spark Spread scenarios, developments in Italian sector regulation in terms of rules and incentives for producers (e.g. capacity market), the trend in domestic demand, participation in FerX auctions for the renewable sector and the scenario of legislative uncertainty regarding the renewal of hydroelectric concessions;
- for the Gas Supply & Development of Green Gases business area CGUs: the price of oil commodities, natural gas and EUR/USD exchange rate scenario);
- for the goodwill, the growth rate needed to assess the terminal value.

The discount rates are calculated through the determination of the weighted average cost of capital (WACC), considering the specific risks of the activities (so-called *beta* coefficient) and countries in which the Group operates and are based on data observable in the financial markets.

The Company relies on an independent expert to determine the recoverable amount and, through statistical simulation techniques (Montecarlo method), weights the cash flows linked to variables with the greatest risk of volatility (capacity market remuneration tariffs, customer list's churn rates, parameters of discount rates and growth rates, the level of non-discretionary investments to maintain normal business operating conditions).

For the results of the test conducted in 2024, please refer to the paragraph 5.1 - subsection 5.1.4 "Impairment test in accordance with IAS 36".

- the determination of some provisions for risks and charges, in particular the:
  - **provisions for decommissioning and remediation of industrial sites:** the valuation of future liabilities connected to industrial site decommissioning and remediation obligations is a complex process based on technical and financial assumptions of the management supported, when necessary, by independent appraisers. These liabilities reflect estimated dismantling, removal and reclamation costs that the Company will need to incur when production and operating activities at a production site are completed, to restore environmental conditions in compliance with local regulations as well as specific contractual arrangements.  
The initial estimate of remediation costs, after deducting income that it is estimated could derive from the resale of recoverable parts, takes into consideration the value of inflation estimated until the expected site decommissioning date and is then discounted on the basis of a risk-free rate. The estimate is based on the principle of prudence in light of the market, legislative and technological conditions known at the moment of the valuation. This value is capitalized with that of the asset to which it refers and is subject to depreciation; the relative provision for decommissioning is recognized as an offsetting entry which, taking into account the expected time horizon, is then adjusted from time to time by recognizing the effect of discounting under financial expense.  
At each reporting date, the estimates are revised so as to verify that the amounts recognized are the best expression of the costs that will likely be incurred by the Company and, if there are significant changes, the amounts are adjusted. The main factors triggering a revision of cost estimates are the revision of the useful life of the site, market scenarios, the evolution of environmental technologies and regulations and inflation and discounting rate trends.
  - **provisions for legal and tax disputes**, within which the types that require greater recourse to estimates and assumptions by the Management are the **provisions relating essentially to environmental disputes** connected to legal and arbitration proceedings of various types in which Edison Spa, as the universal successor of Montedison Spa, which it absorbed, is involved. Specifically as regards the provisions recognized in relation to disputes deriving from events dating back some time, connected to the management of chemical production sites formerly owned by the Montedison group - which were subject to a large-scale decommissioning process between the 1990s and the first decade of the new century, resulting in the conversion of the Edison group's activities in the energy sector - the quantification and updating of these provisions are subject to a periodic review process which takes into account the complexities and differences of the legal framework cases; likewise, and in general, the periodical assessment also includes the quantification

and updating of the other provisions for risk related to legal and arbitral disputes. For the purposes indicated in paragraph 1.2 “Presentation formats of the financial statements adopted by the Company”, since the economic and financial impact associated with the aforementioned disputes is not part of the Company’s ordinary business, it is separated in the summary schedules and identified as non-energy activities.

These provisions are quantified and updated according to a periodic audit process that takes into account the above considerations; similarly and more generally, this periodic audit concerns the quantification and updating of the other risk provisions related to judicial and arbitration disputes.

- the determination of **some sales revenues**, in particular revenues from the sale of electricity and natural gas to customers and the subsidiary Edison Energia Spa. These revenues include turnover on the basis of the periodic reading of consumption for the year and the estimate for the supply of commodities provided but not yet invoiced at the reference date.

This estimate is calculated in a differentiated manner depending on the commodity and on the basis of the segment of customers receiving the supply, according to the following factors:

- 1) volumes distributed (based on communications coming from third parties: transporters and distributors);
- 2) historical consumption of the customer;
- 3) pipeline leaks and adjustments to reflect weather conditions or other factors that could impact the consumption estimate.

Specifically, the first factor is subject to potential invoicing settlements up to the fifth subsequent year as laid out in reference legislation; in particular, the estimate impacts revenues from natural gas sales. Historical consumption, on the other hand, is most significant in determining the revenues from electricity sales to residential customers. Please also note that at each reporting date, revenues from the sale of natural gas and electricity from residential and other customers include the estimate referring to the last two months of consumption.

## 11.2 Other valuation criteria applied

### Net working capital

#### Inventories

Inventories relating to industrial activities are valued at purchase or production cost, including incidental expenses, determined primarily by the FIFO method, or at estimated realisable value, whichever is lower.

#### Trade receivables, Other assets, Trade payables, Other liabilities

They are initially recognized at fair value. Trade receivables without a significant financial component are initially recognized at the transaction price. The recoverability of receivables is evaluated on the basis of the Expected Credit Losses model set forth in IFRS 9.

As regards the prerequisites for the elimination of receivables and payables from the balance sheet, please refer to the comments below with reference to financial assets and liabilities.

Revenues from contracts with customers are recognized in accordance with IFRS 15.

The recognition of revenues from contracts with customers is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligation, represented by contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations identified on the basis of the sale price of each good or service; and (v) recognition of the revenue only when the associated performance obligation is satisfied, or when the promised good or service is transferred to the customer. The transfer is deemed completed when the customer obtains control over the good or service, which may take place over time or at a specific point in time.

Revenue is recognized in the amount equal to the fair value of the consideration which the Company believes it is entitled to in exchange for the goods and/or services promised to the customer, with the exclusion of amounts collected on behalf of third parties. If there is variable consideration, the Company estimates the amount of the consideration it

will be entitled to in exchange for the transfer of the goods and/or services promised to the customer. In particular, the amount of the consideration may vary as a result of discounts, allowances or premiums or if the price itself depends on the occurrence or otherwise of certain future events.

No revenue is recognized for exchanges between goods or services that are similar in nature and value as these are not representative of sale transactions.

Lease payments under operating leases receivable are recognized in the income statement over the term of the contract.

Operating grants are booked in full in the income statement when the conditions for recognition are satisfied; items that qualify as operating grants include agreed incentives for energy produced by plants using renewable sources, which are measured at fair value pursuant to IAS 20.

Costs are recognized when they relate to goods and services that have been consumed during the year.

### **Valuation of medium/long-term gas importation contracts (“take-or-pay”)**

Under the terms of medium/long-term contracts for the importation of natural gas, the Group is required to take delivery of a minimum annual quantity of natural gas. If delivery of the minimum annual quantity is not achieved, the Company is required to pay the consideration attributable to the undelivered quantity. This payment can be treated either as an advance on future deliveries or as a penalty for the failure to take delivery. The first situation (advance on future deliveries) occurs in the case of undelivered quantities at the end of the reporting period for which there is a reasonable certainty that, over the remaining term of the contract, the shortfall will be made up in future years by means of increased deliveries of natural gas, in excess of minimum annual contract quantities. The second situation (penalty for failure to take delivery) occurs in the case of undelivered quantities for which there is no expectation that the shortfall can be made up in the future. The part of the payment that qualifies as an advance on future deliveries is initially recognized in “Other non-current assets” pursuant to IAS 38. The recognized amount is maintained based on the prior periodic verification that: i) over the residual duration of the contract, the Company estimates that it will be able to recover the volumes below the contractual minimum (quantitative valuation); ii) the Company believes that the contracts entail, over their entire residual lives, expected positive net cash flows based on approved Company plans (economic valuation). These recoverability assessments are also applied to quantities that, while scheduled for delivery, were still undelivered and unpaid at the end of the reporting period, the payment for which will occur in the following period. The corresponding amount is recognized as a commitment.

Advances are reclassified to inventory only when the Company actually takes delivery of the gas or are recognized in the income statement as penalties when it is unable to take delivery of the gas. In estimating the estimated realizable value of the gas inventory, any contractual renegotiations on a three-year basis of the price of delivered natural gas may be considered as a price adjustment, if applicable.

### **Derivatives**

**Financial derivatives**, including embedded derivatives, subject to separation from the main contract, are assets and liabilities measured at fair value.

As part of the risk management strategy and objectives, the following are required for transactions to be classified as hedges: (i) verification of the existence of an economic relationship between the hedged item and the hedging instrument such so as to offset the relative changes in value, and such offsetting capacity should not be negatively impacted by the level of counterparty credit risk; (ii) the definition of a hedge ratio consistent with the risk management objectives within the Group’s risk management strategy, carrying out the appropriate rebalancing actions when necessary. Changes in risk management objectives, the absence of the conditions indicated above for the qualification of transactions as hedges or the activation of rebalancing operations determine the total or partial prospective discontinuation of the hedge.

The Company applies hedge accounting extensively; in particular:

- a) when derivatives hedge the risk of changes in the fair value of the hedged instruments (Fair Value Hedge), the derivatives are recognized at fair value through profit or loss. The carrying amount of the hedged items is adjusted accordingly to reflect changes in fair value associated with the hedged risk in the income statement.

- b) when derivatives hedge against the risk of changes in cash flows of the hedged instruments (Cash Flow Hedge), changes in the fair value of derivatives deemed effective are initially recognized in the shareholders' equity reserve and in other comprehensive income and, subsequently, allocated to the income statement consistent with the economic effects of the hedged transaction.

Please note that the economic effects of transactions for the purchase or sale of commodities entered into to meet Company needs in the ordinary course of business and which are expected to be settled with the physical delivery of the goods, are recognized on an accrual basis ("own use exemption").

The fair value of financial instruments listed in an active market is based on market prices at the reporting date (type 1). The fair value of instruments that are not listed in an active market is defined using specific measurement techniques (type 2 internal model with market input and type 3 with internal models).

## Fixed assets

### Property, plant and equipment

In the financial statements, these assets are shown at purchase or production cost, or at their conveyance value, including any attributable incidental costs and direct costs deemed necessary to make them operable, net of any capital grants.

After acquisition, property, plant and equipment are recognized using the cost model.

Costs incurred for periodic maintenance, particularly in the thermoelectric sector (major and/or revamping) are charged to the relevant assets and they are depreciated over the specific residual possible use of those assets.

The estimated realizable value that the Company expects to recover at the end of an asset's useful life is not depreciated. Non-current assets are depreciated every year on a straight-line basis, according to economic-technical rates calculated based on the residual possible use of assets.

The following table shows the ranges of the depreciation rates applied by the Company:

	<u>Generation &amp; Flexibility</u>		<u>Corporate &amp; Environmental Remediation</u>		<u>Gas Supply &amp; Development of Green Gases</u>	
	minimum	maximum	minimum	maximum	minimum	maximum
Buildings	2%	4%	3%	8%	-	-
Plant and machinery	3%	7%	6%	18%	8%	14%
Industrial and commercial equipment	10%	10%	10%	10%	-	-
Other assets	12%	20%	12%	20%	-	-
Investment property	-	-	2%	4%	-	-

The depreciation of the portion of assets that is transferable free of charge is taken on a straight-line basis over the remaining term of the respective contracts (taking into account any renewals/extensions) or their estimated useful lives, whichever is shorter.

Upon first-time adoption of the IFRS, the Company used fair value as deemed cost. As a result, accumulated depreciation and the provision for write-downs booked through January 1, 2004 were derecognized.

As from January 1, 2009, the financial expense directly related to the purchase, construction or production of an asset having a significant life is capitalized if the investment exceeds a pre-defined size threshold; please note that, until December 31, 2008, the financial expense was not capitalized.

### Leased assets (IFRS 16)

The provisions of IFRS 16 were applied upon transition on a prospective basis, by adopting some simplifications (so-called Practical expedients), whereby contracts with a duration of less than 12 months and some contracts with a low market value were excluded from the valuation. A lease is defined as a contract for which, in exchange for a fee, the lessee has the right to control the use of a specific asset for a certain period of time. The application of the standard to the contracts identified resulted in the recognition of a right of use plus, when applicable, any accessory costs required to make the asset ready for use. The right of use is depreciated over the shorter duration between the economic-technical life of the asset and the residual duration of the contract. During the transition phase, the exemption from the provision for deferred taxes provided for by IAS 12 "Income taxes" was applied.

### **Intangible assets and Goodwill**

Intangible assets are recognized in financial statements at their purchase price. After acquisition, they are recognized using the cost model and are amortized on a straight-line basis over their estimated useful life (at least 1 year/at most 50 years). The intangible assets recognized have a definite useful life.

Goodwill is not subject to systematic amortisation, but is tested for impairment at least once a year. Any write-downs cannot be reversed in subsequent periods.

### **Environmental securities**

The Company secures a supply primarily of CO<sub>2</sub> emissions rights to meet its own requirements in the exercise of its industrial activities.

Specifically, "Intangible assets" can include emissions rights, which are recognized at the cost incurred to acquire them, provided the rights carried by the Company at the end of the reporting period represent a surplus over its requirements of such instruments, based on the emissions released during the year. Emissions rights allocated free of charge and utilized for compliance purposes are recognized at a zero carrying value. Since these assets are designed for instantaneous use, they are tested for impairment and cannot be amortized. Their recoverable value is their value in use or their market value, whichever is greater. On the other hand, if, at the end of the reporting period, the volume of the emissions actually generated is greater than the volume of allocated emissions and any purchased emissions, a special provision for risks is recognized to account for the difference. Any emissions rights that are surrendered each year, based on the volume of polluting gas emissions released into the atmosphere each calendar year or the production generated, will be derecognized (compliance) using a special reserves for risks set aside in the previous year.

The costs attributable to the year are recorded under "Materials and services used" (this item also includes any costs referred to plants disposed of in the transferor's accounting period). In the course of the year, expected costs are calculated by valuing at market price the difference between emissions for the period and the rights held; if there are derivative hedging instruments correlated with the acquisition of rights (typically futures with physical delivery), the relative fair value is recognized as an adjustment of the estimated cost.

### **Equity investments in subsidiaries, joint ventures and affiliates**

Subsidiaries are companies in which Edison has the power to make strategic decisions independently, in order to receive the corresponding advantages. As a rule, control is assumed when the Company directly or indirectly holds over a half of the voting rights that can be exercised within the ordinary shareholders' meeting, also considering potential votes, i.e. voting rights linked to convertible instruments.

Other equity investments comprise joint ventures that do not qualify as joint operations and affiliates over which Edison has a significant influence in determining the Company's strategic choices, while it does not control them, also considering potential votes, i.e. voting rights linked to convertible instruments; significant influence is assumed when Edison directly or indirectly holds over 20% of the voting rights that can be exercised within the ordinary Shareholders' Meeting. Equity investments in subsidiaries, affiliates and joint ventures are measured at acquisition cost. The acquisition cost may be permanently written down to reflect any distributions of share capital or equity reserves or any impairment losses detected as a result of an impairment test. If the reasons that justified the write-down cease to apply in subsequent years, the original cost can be reinstated. The reversal cannot exceed the original cost. If the loss attributable to Edison Spa exceeds the carrying amount of the equity investment and the investor is obliged to meet legal or implicit obligations of the investee company or in any event cover its losses, any excess with respect to the carrying amount is recognized in a dedicated liability provision under provisions for risks and charges.

## Provisions for risks and employee benefits

### Employee benefits

The Company provides its employees with short-term benefits (for example, holidays, production bonus, flexible benefits correlated with welfare services and benefits); the relative costs are recognized in the period in which the Company receives the service from the employee.

With reference to employee severance indemnities specifically, in accordance with Budget Law No. 296 of December 27, 2006, only the liability for vested employee severance benefits that remained at the Company was valued for IAS 19 purposes, since the portion applicable to future vesting benefits is being paid to separate entities (supplemental pension funds or INPS funds). Following the entry into force of that Law and as a result of these payments, the Company has no further obligations with regard to the work that employees will perform in the future. Thus, the Company considers the portion accrued prior to that reform as a “defined benefit plan”, while the portion accrued subsequently is a “defined contribution plan”.

### Provisions for risks and charges

Provisions for risks and charges are recognized against obligations existing at the reporting date and are valued on the basis of the best estimate of the expense required to fulfil such obligations. The estimates are reviewed at each reporting date and adjusted when necessary. For details, please refer to paragraph 11.1 above “Use of estimated values”.

## Shareholders’ equity, financial debt and cost of debt

**Dividends** are recognized when the shareholders’ right to collect them arises, usually in the year when the shareholders’ meeting of the investee resolving on the distribution of profits or reserves takes place.

**Financial assets** are initially recognized at fair value. Subsequent to initial recognition, financial assets that generate contractual cash flows representative solely of payments of principal and interest are measured at amortized cost.

The recoverability of financial assets not at fair value through profit or loss is evaluated based on the Expected Credit Losses model set forth in IFRS 9.

**Financial liabilities** other than derivatives are initially recognized at the fair value of the consideration received, net of directly attributable transaction costs and are subsequently measured at amortized cost.

**Financial income and expense** are recognized on an accrual basis.

### Elimination of financial assets and liabilities

Financial assets are derecognized when the right to receive the related cash flows is extinguished and all of the risks and benefits related to the ownership of the assets have been substantially transferred (so-called Derecognition) or when an asset is deemed to be totally non-recoverable after all necessary recovery procedures have been carried out. The financial liabilities are removed from the balance sheet when the specific contractual obligation is redeemed. Also the amendment of existing contractual terms is understood as redemption, if the new terms change the original understandings significantly and however when the current value of cash flows generating from the revised agreements differs by over 10% from the value of discounted cash flows of the original liability.

Financial assets and liabilities are offset in the balance sheet when there is a current legally enforceable right to offset and the Company intends to settle on a net basis (or to realize the asset and simultaneously extinguish the liability).

### Translation of items denominated in foreign currencies

Transactions in foreign currencies are translated into euros at the exchange rate in force on the transaction date. At the end of the reporting period, cash assets and liabilities are translated at the exchange rate in force on the balance sheet date. Any resulting foreign exchange translation differences are recognized in the income statement. Non-cash assets and liabilities denominated in foreign currencies and measured at cost are translated at the exchange rate in force on the transaction date.

## Taxation

Current tax liabilities and assets are measured at the value expected to be paid to tax authorities, calculated by applying the tax rates in force or essentially in force at the reporting date.

Deferred tax assets are recognized only to the extent that their future recovery is probable. In valuing deferred tax assets, the time-frame of the business planning period for which approved Company plans are available is taken into account.

The deferred tax liability on retained earnings of Group companies is recognized only if there is truly an intent to distribute those earnings and provided that the tax liability is not cancelled when a consolidated tax return is filed.

Tax treatments for which there is uncertainty regarding application are valued separately or together with other situations of tax uncertainty, depending on the approach that best represents its resolution. The Company accounts for uncertain tax treatment based on the probability that the tax authority will accept this treatment. Uncertain tax treatments can be estimated using one of the two methods that best represents the uncertain tax treatment: i) the most probable amount; ii) the expected value. Also see the paragraph 11.1 "Use of estimated values".

## 12. OTHER INFORMATION

### 12.1 Significant non-recurring events and transactions

Pursuant to CONSOB Communication no. DEM/6064293 of July 28, 2006, it should be noted that no significant non-recurring transactions took place during the financial year 2024.

### 12.2 Transactions resulting from atypical and/or unusual activities

Pursuant to CONSOB Communication No. DEM/6064293 of July 28, 2006, it should be noted that, in 2024, Edison Spa did not enter into any atypical and/or unusual transactions, as defined by said Communication, according to which the typical and/or unusual transactions are as such that, owing to their significance/relevance, nature of the counterparties, object of the transaction, method of determination of transfer pricing and timing of the event (proximity to close of the year), they may raise doubts regarding the accuracy/completeness of the information in the financial statements, conflicts of interest, the safeguarding of Company assets and protection of minority shareholders.

### 12.3 Treasury Shares

At December 31, 2024, Edison Spa owned no treasury shares.

### 12.4 Compensation, Stock Options and Equity Investments of Directors, Executives with Strategic Responsibilities and Statutory Auditors

For information concerning:

- the compensation of Directors and Statutory Auditors;
- stock options awarded to Directors;
- equity investments of Directors;

reference should be made to the information provided in the "Governance" section of the "Report on Remuneration".

### 12.5 Fees of the Independent Auditors

(Information pursuant to art. 149-duodecies of the CONSOB Issuers' Regulations)

The statement below, drafted pursuant to art. 149-duodecies of the CONSOB Issuers' Regulations, shows the consideration for the year 2024 for auditing services and for non-auditing services provided by the same auditing company and entities belonging to its network.

<i>(in euros)</i>	KPMG S.p.A. 12.31.2024	Network KPMG S.p.A. 12.31.2024	Total KPMG S.p.A. 12.31.2024	Other Audit Firms 12.31.2024	Total Other Audit Firms 12.31.2024	Total Audit Fees 12.31.2024
<b>Edison S.p.A.</b>	<b>1,246,636</b>	-	<b>1,246,636</b>	-	-	<b>1,246,636</b>
Legal and accounting audit	875,725	-	875,725	-	-	875,725
Certification services	370,911	-	370,911	-	-	370,911
Other services	-	-	-	-	-	-
<b>Group Companies (1)</b>	<b>1,762,609</b>	<b>316,150</b>	<b>2,078,759</b>	<b>10,000</b>	<b>10,000</b>	<b>2,088,759</b>
Legal and accounting audit	1,554,488	304,395	1,858,883	10,000	10,000	1,868,883
Certification services	208,121	11,755	219,876	-	-	219,876
Other services	-	-	-	-	-	-
<b>Total</b>	<b>3,009,245</b>	<b>316,150</b>	<b>3,325,395</b>	<b>10,000</b>	<b>10,000</b>	<b>3,335,395</b>

(1) Subsidiaries and other companies consolidated line by line.

## 12.6 Summary of Public Disbursements Pursuant to Art. 1, Paragraphs 125-129, Law No. 124/2017

Law No. 124 of August 4, 2017 ("Annual market and competition law") introduced, in art. 1, paragraphs 125-129, new disclosure obligations to ensure transparency as regards public disbursements, both received and given.

Please note that no collections for the year 2024 arising from green certificates, feed-in tariffs, white certificates or the energy account were taken into consideration, as they all constitute a fee for supplies and services rendered.

The reporting approach to be followed is the "cash approach". In 2024, Edison Spa received the following contributions:

**Through:** Ansaldo Energia Spa

**Disbursing Entity:** Clean Hydrogen Joint Undertaking ("EU Implementing Agency" or "Licensing Authority"), under powers delegated by the European Commission

**Operational program:** Horizon Europe

**Project name:** FLEX4H2 - Flexibility for Hydrogen

**Action:** The project aims to design, develop and validate a highly flexible sequential combustion system capable of operating with any concentration of hydrogen mixed with natural gas, up to 100%, at the operating temperatures of a state-of-the-art gas turbine (Class H).

**Financing instrument:** grant.

**Grant received:** 14,982.80 euros

**Through:** Università degli studi di Padova

**Disbursing Entity:** European Climate, Infrastructure and Environment Executive Agency (CINEA) ("EU executive agency" or "granting authority"), under powers delegated by the European Commission

**Operational program:** Orizzonte Europa

**Project name:** H-HOPE - Hidden Hydro Oscillating Power for Europe

**Action:** The project addresses the development and demonstration of innovative and sustainable energy harvesting systems capable of recovering hidden hydropower from existing pipeline systems, open watercourses and open channels. This new technology is based on both the use of piezoelectric materials attached to submerged bodies with deformable walls and electromagnetic regulators that absorb the transverse motion of oscillating bodies within the streams.

**Financing instrument:** grant.

**Grant received:** 27,469.14 euros

## SIGNIFICANT EVENTS OCCURRING AFTER DECEMBER 31, 2024

No significant events occurred after December 31, 2024.

Milan, February 19, 2025

On behalf of the Board of Directors

*The Chief Executive Officer*

**Nicola Monti**

# List of Equity Investments

## Investments in subsidiaries

Company	Head office	Share capital			Shares or par value interests held		Initial value (A)			Additions	Disposals
		Curr.	Amount	Par value per share	%	Number or par value	Cost	Revaluations (Writedowns)	Net carrying amount		
Atema DAC	Dublin (Ireland)	Eur	1,500,000	0.50	100.000	3,000,000	1,381,681	(8,680)	1,373,001	-	-
Cellina Energy Srl (Sole shareholder) <sup>(4)</sup>	Milan (*)	Eur					171,128,000	(168,000)	170,960,000	-	-
Cuognè Srl (Sole shareholder)	Milan (*)	Eur	100,000	-	100.000	100,000	22,933,169	-	22,933,169	-	-
Deposito GNL Brindisi Srl - DGB Srl (Sole shareholder)	Milan (*)	Eur	1,000,000	-	100.000	1,000,000	13,306,290	-	13,306,290	-	-
Edison Bess Srl ex Axpo Storage IT1 Srl (Sole shareholder)	Rome (*)	Eur	10,000	-	100.000	10,000	400,000	-	400,000	-	-
Edison Energia Spa (Sole shareholder)	Milan (*)	Eur	40,000,000	NPV	100.000	41,000,000	685,737,097	(223,922,765)	461,814,332	-	-
Edison Hellas Sa	Athens (Greece)	Eur	263,700	2.93	100.000	90,000	187,458	(8,000)	179,458	-	-
Edison International Spa (Sole shareholder)	Milan (*)	Eur	75,000,000	1.00	100.000	75,000,000	70,926,759	(3,751,759)	67,175,000	-	-
Edison International Shareholdings Spa (Sole shareholder)	Milan (*)	Eur	26,000,000	1.00	100.000	26,000,000	102,400,000	-	102,400,000	-	-
Edison Next Spa (Sole shareholder)	Rivoli (TO) (*)	Eur	330,500,000	100.00	100.000	3,305,000	291,994,680	(40,000,000)	251,994,680	-	-
Edison ReGeA Srl (Sole shareholder)	Milan (*)	Eur	2,000,000	1.00	100.000	2,000,000	-	-	-	1,000,000	-
Edison Reggane Spa (Sole shareholder) <sup>(1)</sup>	Milan (*)	Eur					200,000	-	200,000	-	-
Edison Rinnovabili Spa	Milan (*)	Eur	4,200,000	1.00	51.000	2,142,000	407,372,649	-	407,372,649	-	-
Energia Italia Srl (Sole shareholder)	Milan (*)	Eur	20,000	-	100.000	20,000	22,898,004	-	22,898,004	-	-
Energie Rinnovabili Arpitane Srl (Sole shareholder)	Aosta (*)	Eur	100,000	-	100.000	100,000	32,717,626	-	32,717,626	-	-
Felix Dynamics Srl (Sole shareholder) <sup>(3)</sup>	Aosta (*)	Eur					6,280,871	-	6,280,871	-	-
Frendy Energy Spa	Milan (*)	Eur	14,829,312	NPV	76.971	45,656,952	15,451,454	(5,406,000)	10,045,454	-	-
Jesi Energia Spa <sup>(1)</sup>	Milan (*)	Eur					15,537,145	(13,295,745)	2,241,400	140,000	-
Nuova Alba Srl (Sole shareholder) <sup>(2)</sup>	Milan (*)	Eur					46,669,151	(44,051,150)	2,618,001	-	-
Nuova Cisa Spa in liquidazione (Sole shareholder)	Milan (*)	Eur	1,549,350	1.00	100.000	1,549,350	3,500,109	(1,086,596)	2,413,513	-	-
Nuove Iniziative Energetiche Srl (Sole shareholder)	Milan (*)	Eur	2,040,000	-	100.000	2,040,000	17,876,910	-	17,876,910	-	-
Sistemi di Energia Spa	Milan (*)	Eur	10,083,205	1.00	99.523	10,035,151	5,500,206	4,150,094	9,650,300	-	-
Società Generale per Progettazioni Cons. e Part. Spa (extraordinary administration)	Rome	Lit	300,000,000	10,000.00	59.333	17,800	1	-	1	-	-
Tre Monti Srl (Sole shareholder) <sup>(2)</sup>	Milan	Eur					50,000	-	50,000	-	-
<b>Total Investments in subsidiaries</b>							<b>1,934,449,260</b>	<b>(327,548,601)</b>	<b>1,606,900,659</b>	<b>1,140,000</b>	<b>-</b>

(A) Amounts in euros

(\*) Company subject to management and coordination by Edison Spa

(\*\*) Values as per draft financial statements submitted to the Board of Directors if already available; alternatively the last approved budget.

<sup>(1)</sup> Merged in Edison Spa starting from June, 1 2024

<sup>(2)</sup> Conveyed to Edison ReGeA Srl starting from July, 1 2024

<sup>(3)</sup> Merged in Energie Rinnovabili Arpitane Srl starting from October, 1 2024

<sup>(4)</sup> Merged in Edison Spa starting from November, 1 2024

The currency codes used are consistent with the ISO 4217 International Standard, with the exception of the Italian lira for which the traditional Lit. has been maintained.

Changes during the year (A)					Ending value at December 31, 2024 (A)						
Advance on (Distribution of) capital and reserves	Revaluations (Writedowns)	Conveyance	Merge	Reclassifications	Cost	Revaluations (Writedowns)	Net present value recorded in the balance sheet	S.E last financial statements**	Pro rata interest in S. E.**	Net result last fin. Statements**	Pro rata interest in in net result**
-	(40,000)	-	-	-	1,381,681	(48,680)	1,333,001	1,332,754	1,332,754	(68,439)	(68,439)
-	-	-	(170,960,000)	-	-	-	-	-	-	-	-
-	-	-	-	-	22,933,169	-	22,933,169	8,377,322	8,377,322	1,860,674	1,860,674
1,100,000	(12,877,290)	-	-	-	14,406,290	(12,877,290)	1,529,000	13,294,679	13,294,679	(11,611)	(11,611)
-	-	-	-	-	400,000	-	400,000	67,614	67,614	(6,201)	(6,201)
-	46,500,000	-	-	-	685,737,097	(177,422,765)	508,314,332	392,044,082	392,044,082	90,814,848	90,814,848
-	8,000	-	-	-	187,458	-	187,458	702,607	702,607	36,515	36,515
-	3,751,759	-	-	-	70,926,759	-	70,926,759	72,434,690	72,434,690	3,013,819	3,013,819
-	-	-	-	-	102,400,000	-	102,400,000	122,258,842	122,258,842	17,870,239	17,870,239
70,000,000	-	-	-	(3,563,163)	358,431,517	(40,000,000)	318,431,517	283,783,186	283,783,186	(27,933,651)	(27,933,651)
-	-	6,044,237	-	3,563,163	10,607,400	-	10,607,400	10,700,661	10,700,661	124,488	124,488
-	-	-	(200,000)	-	-	-	-	-	-	-	-
-	-	-	-	-	407,372,649	-	407,372,649	691,557,078	352,694,110	91,391,148	46,609,485
-	-	-	-	-	22,898,004	-	22,898,004	10,809,657	10,809,657	2,126,431	2,126,431
-	-	-	-	6,280,871	38,998,497	-	38,998,497	16,018,515	16,018,515	2,176,128	2,176,128
-	-	-	-	(6,280,871)	-	-	-	-	-	-	-
-	-	-	-	-	15,451,454	(5,406,000)	10,045,454	10,183,723	7,838,513	202,623	155,961
-	-	-	(2,381,400)	-	-	-	-	-	-	-	-
-	(1,095,254)	(1,522,747)	-	-	-	-	-	-	-	-	-
-	-	-	-	-	3,500,109	(1,086,596)	2,413,513	3,017,058	3,017,058	(40,225)	(40,225)
-	-	-	-	-	17,876,910	-	17,876,910	3,666,059	3,666,059	53,112	53,112
-	-	-	-	-	5,500,206	4,150,094	9,650,300	25,867,316	25,743,929	3,687,156	3,669,568
-	-	-	-	-	1	-	1	-	-	-	-
-	-	(50,000)	-	-	-	-	-	-	-	-	-
<b>71,100,000</b>	<b>36,247,215</b>	<b>4,471,490</b>	<b>(173,541,400)</b>	<b>-</b>	<b>1,779,009,201</b>	<b>(232,691,237)</b>	<b>1,546,317,964</b>				

# List of Equity Investments

## Investments in joint ventures and affiliated companies

Company	Head office	Share capital			Shares or par value interests held		Initial value (A)			Additions	Disposals	Advance on (Distribution of) capital and reserves
		Curr.	Amount	Par value per share	%	Number or par value	Cost	Revaluations (Writedowns)	Net carrying amount			
Consorzio Barchetta	Ancona	Eur					-	-	-	-	(6,492)	-
Depositi Italiani GNL Spa	Ravenna	Eur	20,000,000	100.00	30.000	60,000	6,000,000	-	6,000,000	-	-	1,258,828
Dolomiti Edison Energy Srl	Trento	Eur	5,000,000	-	49.000	2,450,000	8,187,900	-	8,187,900	-	-	-
Iniziativa Universitaria 1991 Spa	Varese	Eur	16,120,000	520.00	32.258	10,000	4,405,565	(378,938)	4,026,627	-	-	-
Nuova ISI Impianti selez.inerti Srl (in bankruptcy)	Vazia (RI)	Lit	150,000,000	-	33.333	50,000,000	1	-	1	-	-	-
Puglia Green Hydrogen Valley - PGHYV Srl	Bari	Eur	2,750,471	-	50.000	1,375,236	1,375,236	-	1,375,236	-	-	500,000
Wind Energy Pozzallo Srl	Pescara	Eur	100,000	-	50.000	50,000	-	-	-	4,000,000	-	4,000,000
<b>Total investments in joint ventures and affiliated companies</b>							<b>19,968,702</b>	<b>(378,938)</b>	<b>19,589,764</b>	<b>4,000,000</b>	<b>(6,492)</b>	<b>5,758,828</b>
<b>Total Equity investments</b>							<b>1,954,417,962</b>	<b>(327,927,539)</b>	<b>1,626,490,423</b>	<b>5,140,000</b>	<b>(6,492)</b>	<b>76,858,828</b>

## Investments in subsidiaries - Discontinued operations

Company	Head office	Share capital			Shares or par value interests held		Initial value (A)			Additions	Disposals	Advance on (Distribution of) capital and reserves
		Curr.	Amount	Par value per share	%	Number or par value	Cost	Revaluations (Writedowns)	Net carrying amount			
Edison Stocaggio Spa (Sole shareholder)	Milan (*)	Eur	90,000,000	1.00	100.000	90,000,000	134,280,847	-	134,280,847	-	-	-

(A) Amounts in euros

(\*) Company subject to management and coordination by Edison Spa

(\*\*) Values as per draft financial statements submitted to the Board of Directors if already available; alternatively the last approved budget.

<sup>(1)</sup> Merged in Edison Spa starting from June, 1 2024

<sup>(2)</sup> Conveyed to Edison ReGeA Srl starting from July, 1 2024

<sup>(3)</sup> Merged in Energie Rinnovabili Arpitane Srl starting from October, 1 2024

<sup>(4)</sup> Merged in Edison Spa starting from November, 1 2024

The currency codes used are consistent with the ISO 4217 International Standard, with the exception of the Italian lira for which the traditional Lit. has been maintained.

Changes during the year (A)				Ending value at December 31, 2024 (A)						
Revaluations (Writedowns)	Conveyance	Merge	Reclassifications	Cost	Revaluations (Writedowns)	Net present value recorded in the balance sheet	S.E last financial statements **	Pro rata interest in S. E.**	Net result last fin. Statements**	Pro rata interest in in net result**
-	-	6,492	-	-	-	-	-	-	-	-
(1,544,801)	-	-	-	7,258,828	(1,544,801)	5,714,027	17,813,682	5,344,105	(2,051,284)	(615,385)
-	-	-	-	8,187,900	-	8,187,900	52,049,437	25,504,224	(421,615)	(206,591)
-	-	-	-	4,405,565	(378,938)	4,026,627	14,298,479	4,612,403	87,800	28,323
-	-	-	-	1	-	1	-	-	-	-
-	-	-	-	1,875,236	-	1,875,236	2,873,677	1,436,839	(300,553)	(150,277)
-	-	-	-	8,000,000	-	8,000,000	10,030,481	5,015,241	14,664	7,332
(1,544,801)	-	6,492	-	29,727,530	(1,923,739)	27,803,791				
34,702,414	4,471,490	(173,534,908)	-	1,808,736,731	(234,614,976)	1,574,121,755				

Changes during the year (A)				Ending value at December 31, 2024 (A)						
Revaluations (Writedowns)	Conveyance	Merge	Reclassifications	Cost	Revaluations (Writedowns)	Net present value recorded in the balance sheet	S.E last financial statements **	Pro rata interest in S. E.**	Net result last fin. Statements**	Pro rata interest in in net result**
-	-	-	-	134,280,847	-	134,280,847	270,467,736	270,467,736	21,528,184	21,528,184

# List of long-term investments valued at fair value through profit or loss

## Fixed equity investments valued at fair value through profit or loss

Company	Head office	Share capital			Shares or par value interests held	
		Curr.	Amount	Par value per share	%	Number or par value
American Superconductor	Devens (United States)	Usd	394,532	0.01	0.041	16,000
Bake Two Srl	Milan	Eur	13,889	-	8.000	1,111
Consel Scrl	Rome	Eur	51,000	-	1.000	510
Ditne Scrl	Brindisi	Eur	451,878	-	1.787	8,076
Easyfeel Srl	Milan	Eur	15,143	-	5.980	905
Endeavour Srl	Portalbera (PV)	Eur	57,136	-	14.031	8,017
European Energy Exchange Ag - EEX	Leipzig (Germany)	Eur	60,075,000	1.00	0.505	303,106
FCA Security Scpa	Turin	Eur	152,520	1.00	0.250	382
Hydrogen Park - Marghera per l'Idrogeno Scrl	Venice	Eur	245,000	-	9.732	23,843
I.SV.E.UR. Spa (in liquidation)	Rome	Eur	2,500,000	1,000.00	1.000	25
MIP Politecnico di Milano Graduate School of Business Scpa	Milan	Eur	414,000	1.00	2.899	12,000
Musa Scrl	Milan	Eur	100,000	-	7.000	7,000
Reggente Spa	Lucera (FG)	Eur	260,000	0.52	5.209	26,043
Sistema Permanente di Servizi Spa (in bankruptcy)	Rome	Eur	154,950	51.65	12.600	378
Syremont Monument Management Spa	Rose (CS)	Eur	600,000	1.00	9.240	55,440
<b>Total Long-term investments valued at fair value through profit or loss</b>						

(A) Amounts in euros

The currency codes used are consistent with the ISO 4217 International Standard

Eur Euro  
Usd U.S. Dollar

Initial value (A)			Changes during the year (A)		Ending value at December 31, 2024 (A)		
Cost	Revaluations (Writedowns)	Net carrying amount	Additions	Revaluations (Writedowns)	Cost	Revaluations (Writedowns)	Net present value recorded in the balance sheet
4,975,111	(4,813,808)	161,303	-	218,021	4,975,111	(4,595,787)	379,324
200,000	-	200,000	-	-	200,000	-	200,000
510	-	510	-	-	510	-	510
7,671	-	7,671	-	-	7,671	-	7,671
250,000	-	250,000	-	-	250,000	-	250,000
250,000	-	250,000	174,848	-	424,848	-	424,848
680,500	-	680,500	-	-	680,500	-	680,500
288	-	288	-	-	288	-	288
23,843	-	23,843	-	-	23,843	-	23,843
5,620	-	5,620	-	-	5,620	-	5,620
12,000	-	12,000	-	-	12,000	-	12,000
307,000	-	307,000	-	-	307,000	-	307,000
13,450	-	13,450	-	-	13,450	-	13,450
1	-	1	-	-	1	-	1
400	-	400	-	-	400	-	400
<b>6,726,394</b>	<b>(4,813,808)</b>	<b>1,912,586</b>	<b>174,848</b>	<b>218,021</b>	<b>6,901,242</b>	<b>(4,595,787)</b>	<b>2,305,455</b>

# MOTION FOR A RESOLUTION

Dear Shareholders,

Your Company's separate financial statements at December 31, 2024 show a profit of 399,301,569.02 euros. If you concur with the criteria adopted to prepare the financial statements and the accounting principles and methods applied, we recommend that you adopt the following resolutions.

## Motions for resolutions to the Shareholders' Meeting

### *"The Shareholders' Meeting,*

- having reviewed the Company's separate financial statements at December 31, 2024, which show a profit of 399,301,569.02 euros, the Group's consolidated financial statements at December 31, 2024, which show a profit of 403 million euros, and the Management, Sustainability, and Governance Report at December 31, 2024;
- considering the Report of the Board of Statutory Auditors to the Shareholders' Meeting pursuant to art. 153 of Legislative Decree No. 58/1998 (TUF);
- considering the Reports of the Independent Auditors on the separate and consolidated financial statements at December 31, 2024;
- considering the Reports of the Independent Auditors on the consolidated sustainability report at December 31, 2024;
- taking into account the provisions of art. 2430 of the Italian Civil Code regarding the legal reserve, as well as art. 25 of the Bylaws regarding the preferred dividend due to savings shares and the increase compared to the dividend of common shares, as well as regarding the distribution of reserves;
- considering that as at April 3, 2025 capital was 4,736,117,250.00 euros, divided into 4,626,557,357 common shares and 109,559,893 savings shares, all with a nominal value of 1 euro each.

### *resolves*

#### **FIRST RESOLUTION**

- i) to approve the Company's separate financial statements for the year ended December 31, 2024, as a whole, and the individual items contained therein, which show a profit of 399,301,569.02 euros, rounded to 399,301,569 euros in the financial statements.

#### **SECOND RESOLUTION**

- ii) to allocate 5% of net income for the year, amounting to 399,301,569.02 euros to the statutory reserve for a total of
- iii) to allocate the net income of 379,336,490.57 euros remaining after its partial use for allocation to the legal reserve referred to in point ii) above:
  - a) to dividends for the 109,559,893 savings shares:
    - 5% of the nominal value, i.e. 0.050 euros per share,

**19,965,078.45 euros**

to a preferred dividend for 2024, for a total of	5,477,994.65 euros
- 4% of the nominal value, i.e. 0.040 euros per share, taking into account the extent of the dividend assigned to common shares referred to under point (b) and the increase of the dividend assigned to savings shares compared to common shares equal to 3% of the nominal value for a total of	4,382,395.72 euros
for a total of 0.090 euros for each savings share and therefore for a grand total of	<b>9,860,390.37 euros</b>
b) to a dividend for the 4,626,557,357 common shares:	
- 6% of the nominal value, i.e. 0.060 euros per share, for a total of	<b>277,593,441.42 euros</b>
c) to retained earnings for the remaining amount, taking into account what is proposed under points (ii) and (iii) a) and b) above	<b>91,882,658.78 euros</b>

As a result of the above resolutions, a total amount of **0.060 euros** will be distributed to each common share and a total amount of **0.090 euros to each savings share**.

The dividend for the savings shares and for the common shares will be paid on **Wednesday April 30, 2025**, with an ex-dividend date of Monday April 28, 2025, and record date of Tuesday April 29, 2025.

Milan, February 19, 2025

On behalf of the Board of Directors

*The Chief Executive Officer*

**Nicola Monti**

## Certification of the Statutory Financial Statements Pursuant to Art. 81-ter of CONSOB Regulation No. 11971 of May 14, 1999, as Amended

1. The undersigned Nicola Monti, in my capacity as “Chief Executive Officer”, Ronan Lory and Roberto Buccelli, in our capacity as “Dirigenti Preposti alla redazione dei documenti contabili societari” of Edison Spa, taking into account the provisions of Article 154-*bis*, Sections 3 and 4 of Legislative Decree No. 58 of February 24, 1998, certify that the administrative and accounting procedures applied to prepare Separate financial statements at December 31, 2024:

- the adequacy in relation of the characteristics of the business; and
- the effective application.

of the administrative and accounting procedures for drawing up the financial statements during the period January 1 - December 31, 2024.

2. We further certify that:

2.1 – the financial statements:

- a) were prepared in accordance with applicable international accounting principles recognized by the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council of July 19, 2002;
- b) are consistent with the data in the accounting records and other corporate documents;
- c) provide a truthful and fair presentation of the balance sheet, income statement and financial position of the issuer.

2.2 – the Management section of Management, Sustainability and Governance Report includes a reliable analysis of the developments and results from operations, as well as of the position of the issuer and all of the companies included in the scope of consolidation, together with a description of the main risks and contingencies to which they are exposed.

Milan, February 19, 2025

*The Chief Executive Officer*

**Nicola Monti**

*“Dirigenti Preposti alla redazione dei documenti contabili societari”*

**Ronan Lory**  
**Roberto Buccelli**

# REPORT OF THE INDEPENDENT AUDITOR



KPMG S.p.A.  
Revisione e organizzazione contabile  
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**(The accompanying translated separate financial statements of Edison S.p.A. constitute a non-official version which is not compliant with the provisions of Commission Delegated Regulation (EU) 2019/815. This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)**

## **Independent auditors' report pursuant to article 14 of Legislative decree no. 39 of 27 January 2010 and article 10 of Regulation (EU) no. 537 of 16 April 2014**

*To the shareholders of  
Edison S.p.A.*

### **Report on the audit of the separate financial statements**

#### **Opinion**

We have audited the separate financial statements of Edison S.p.A. (the "company"), which comprise the balance sheet as at 31 December 2024, the income statement and other components of the comprehensive income statement, cash flow statement and statement changes in shareholders' equity for the year then ended and notes thereto, which include material information on the accounting policies.

In our opinion, the separate financial statements give a true and fair view of the financial position of Edison S.p.A. as at 31 December 2024 and of its financial performance and cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05.

#### **Basis for opinion**

We conducted our audit in accordance with the International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the separate financial statements" section of our report. We are independent of the company in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the separate financial statements of the current year. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Edison S.p.A.

Independent auditors' report

31 December 2024

## **Recoverability of goodwill, intangible assets, property, plant and equipment and equity investments**

<b>Key audit matter</b>	<b>Audit procedures addressing the key audit matter</b>
<p>The separate financial statements at 31 December 2024 include goodwill of €1,458 million, intangible assets of €78 million, property, plant and equipment of €2,016 million and equity investments of €1,574 million.</p> <p>In 2024, the company revisited its segment reporting in accordance with IFRS 8 and identified three new operating segments that replaced its previous “Electric Power Operations” and “Gas Operations” operating segments, namely the “Generation &amp; Flexibility”, “Gas Supply &amp; Development of Green Gases” and “Clients &amp; Services” segments.</p> <p>Impairment testing entails checking firstly the recoverability of the carrying amount of the assets allocated to the individual cash-generating units (“CGUs”) and secondly of the CGUs to which goodwill is allocated.</p> <p>The company tests its assets for impairment with the assistance of an independent expert, by estimating their recoverable amount (i.e., value in use) and weighing, through statistical simulation techniques (Monte Carlo method), the cash flows linked to the variables with the greatest risk of volatility (capacity market remuneration, discount rate parameters, growth rates and the level of non-discretionary investments to maintain normal business operating conditions).</p> <p>At least annually, the company checks whether there are indicators that its equity investments may be impaired. If so, it tests the equity investments for impairment by comparing their carrying amount with the company's share of the investees' equity and profit or loss.</p> <p>Impairment testing is complex and requires management to use estimates and assumptions about the expected cash flows and the appropriate discount rates.</p> <p>The company estimated the expected cash flows mainly on the basis of:</p> <ul style="list-style-type: none"><li>• the 2025 budget approved by the board of directors on 6 December 2024;</li><li>• the 2026-2028 medium-term business plan approved by the board of directors on the same date;</li><li>• the long-term business plan prepared by management.</li></ul>	<p>We checked how management calculated the CGUs' and equity investments' value in use by challenging the methods and assumptions used in impairment testing.</p> <p>Our audit procedures, carried out partly by involving experts of the KPMG network, included the following:</p> <ul style="list-style-type: none"><li>• understanding the company's impairment testing procedure;</li><li>• assessing the consistency of the cash flows used for impairment testing with the projected cash flows of the medium-term business plan.</li><li>• analysing the reasonableness of the key assumptions used to estimate cash flows, including through sector data analyses;</li><li>• comparing actual figures to forecasts to assess any discrepancies and the reliability of the estimation process;</li><li>• challenging the reasonableness of the discount rate (WACC);</li><li>• checking the mathematical accuracy of the model used to calculate the CGUs' and equity investments' value in use;</li><li>• checking the calculation of the carrying amount of the CGUs, the groups of CGUs relating to the electricity and hydrocarbons markets, the assets as a whole and equity investments and comparing it with the recoverable amount resulting from the impairment tests;</li><li>• challenging management's sensitivity analysis;</li><li>• checking whether how management carried out impairment tests complied with the IFRS;</li><li>• assessing the appropriateness of the disclosures provided in the notes about the impairment tests and their compliance with the requirements of IAS 36.</li></ul>



Edison S.p.A.

Independent auditors' report

31 December 2024

Key audit matter	Audit procedures addressing the key audit matter
<p>The most significant variables affecting the estimated cash flows are as follows:</p> <ul style="list-style-type: none"><li>• for the CGUs of the “Generation &amp; Flexibility” segment: variations in the national single price (PUN) and the related spark spread, changes in the Italian regulations governing and incentivising producers (e.g., capacity payment), national demand trends, participation in FerX tenders for the renewable sector and the legal uncertainty about the renewal of hydroelectric concessions;</li><li>• for the CGUs of the “Gas Supply &amp; Development of Green Gases” segment: variations in the price of oil commodities and natural gas and in the EUR/USD exchange rate;</li><li>• for goodwill: the growth rates underlying the determination of the terminal value.</li></ul> <p>Considering the materiality of the carrying amount of assets and the subjectivity affecting the estimated cash flows and the most significant variables set out above, we believe that impairment testing is a key audit matter.</p> <p>Notes “5.1.5 Impairment test in accordance with IAS 36 applied to the value of goodwill, property, plant and equipment and other intangibles and equity investments”, “5.2 Equity investments and other non-current financial assets” and “11.1 Use of estimated values” to the separate financial statements present the disclosures about the impairment tests, the impairment losses recognised on equity investments and the changes in the most significant variables used for impairment testing.</p>	

**Recognition of revenue from sales carried out between the last metering date and the reporting date**

Key audit matter	Audit procedures addressing the key audit matter
<p>Revenue from sales of electricity and natural gas of €4,527 million and €6,324 million, respectively, include sales invoiced on the basis of actual metering and the estimated commodities sold but not yet invoiced at the reporting date.</p> <p>The related estimation methods differ depending on the type of commodity and end-user, considering the following variables:</p> <ol style="list-style-type: none"><li>1. volumes transported (according to communications from third parties: i.e., carriers and distributors);</li><li>2. the customer's historical data;</li></ol>	<p>We carried out the following audit procedures on the estimated revenue from the sales carried out between the last metering date and the reporting date:</p> <ul style="list-style-type: none"><li>• understanding the revenue recognition process and the main controls implemented by the company, again by involving our IT specialists;</li><li>• checking the algorithms and data used in the IT systems, including by involving our IT specialists;</li><li>• performing substantive procedures on the electricity and gas volumes considered in the estimation;</li><li>• checking the accuracy of the selling prices used in the estimation;</li></ul>



Edison S.p.A.

Independent auditors' report

31 December 2024

Key audit matter	Audit procedures addressing the key audit matter
<p>3. network losses and adjustments to reflect weather conditions or other factors that may affect estimated consumption.</p> <p>The first variable is subject to potential adjustments up to the fifth subsequent year under applicable laws. The estimate has a greater impact on revenue from the sale of natural gas. On the other hand, customers' historical data have a greater impact on the estimated revenue from the sale of electricity to residential customers.</p> <p>We believe that how the above revenue from sales is determined is a key audit matter, taking into account i) the discretionary component of any estimates; (ii) the materiality of the total amount; (iii) the large number of transactions involving users and (iv) the effort necessary to carry out the related audit procedures, which require the involvement of experienced personnel and specialists.</p> <p>Note "11.1 Use of estimated values" to the separate financial statements discloses the revenue recognition policies used by the company.</p>	<ul style="list-style-type: none"><li>• comparing the estimates recognised in the separate financial statements with the subsequent actual figures;</li><li>• assessing the appropriateness of the disclosures provided in the notes.</li></ul>

### **Provisions for disputes in relation to non-energy activities**

Key audit matter	Audit procedures addressing the key audit matter
<p>The separate financial statements at 31 December 2024 include provisions for disputes in relation to non-energy activities of €701 million.</p> <p>These provisions cover: i) disputes, litigation and contracts, ii) contractual guarantees on the sale of equity investments and iii) environmental risks.</p> <p>The company is involved in several legal proceedings, especially for environmental restoration and clean-up of polluted areas stemming from its past industrial activities. As a matter of fact, since Montedison S.p.A. was merged into Edison S.p.A., the latter is the successor to all rights and obligations of the former. This means that the separate financial statements include costs for environmental activities and provisions for disputes arising from events dating back in time and relating, inter alia, to the chemical production sites that were part of the Montedison Group, which were included in the extensive discontinuation process carried out between the nineties and the first decade of this century that led to the Edison Group's refocusing on the energy sector.</p> <p>Management uses estimates and assumptions to assess the probable impacts of the numerous legal proceedings relating to these remediation and clean-up activities. Those used to estimate the provisions for litigation of a substantially environmental nature, which are related to the chemical facilities of the Montedison</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>• understanding the controls implemented by the company over the process for the identification, initial recognition and monitoring of proceedings and investigations at the organisation's various levels;</li><li>• understanding the controls implemented by the company over the process for the identification, initial recognition and updating of provisions;</li><li>• assessing the reasonableness of management's estimation methods in relation to the requirements of the IFRS;</li><li>• analysing the accounting policies and assumptions used by management to estimate provisions;</li><li>• checking the accuracy and completeness of the data used for the estimates;</li><li>• discussing the progress of the most significant disputes with the company's legal department;</li><li>• sending requests for information to the legal advisors assisting the company and checking the consistency of the information obtained with the risk assessment made by management and the legal and tax departments;</li><li>• analysing supporting documentation, including minutes of the board of directors' meetings,</li></ul>



Edison S.p.A.

Independent auditors' report

31 December 2024

Key audit matter	Audit procedures addressing the key audit matter
<p>Group, are the most significant estimates and assumptions.</p> <p>Considering the complexity of the pending proceedings, the uncertainty of the estimation process and the significant potential effects on the company's financial position, financial performance and cash flows, we believe that this is a key audit matter.</p> <p>Notes "9 Non-energy activities" and "11.1 Use of estimated values" to the separate financial statements present the disclosures about estimates of provisions.</p>	<p>agreements with counterparties and updates prepared by the company;</p> <ul style="list-style-type: none"><li>• analysing the events after the reporting date up to the date of this report;</li><li>• assessing the appropriateness of the disclosures provided in the notes.</li></ul>

### **Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the separate financial statements**

The directors are responsible for the preparation of separate financial statements that give a true and fair view the IFRS Accounting Standards issued by the International Accounting Standards Board and endorsed by the European Union, as well as the Italian regulations implementing article 9 of Legislative decree no. 38/05 and, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the company's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the separate financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the directors believe that the conditions for liquidating the company or ceasing operations exist, or have no realistic alternative but to do so.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, the company's financial reporting process.

### **Auditors' responsibilities for the audit of the separate financial statements**

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



**Edison S.p.A.**

*Independent auditors' report*

*31 December 2024*

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the ethics and independence rules and standards applicable in Italy and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the measures taken to eliminate those threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are, therefore, the key audit matters. We describe these matters in our auditors' report.

### ***Other information required by article 10 of Regulation (EU) no. 537/14***

On 28 April 2020, the parent's shareholders appointed us to perform the statutory audit of its separate and consolidated financial statements as at and for the years ending from 31 December 2020 to 31 December 2028.

We declare that we did not provide the prohibited non-audit services referred to in article 5.1 of Regulation (EU) no. 537/14 and that we remained independent of the company in conducting the statutory audit.

We confirm that the opinion on the separate financial statements expressed herein is consistent with the additional report to the *Collegio Sindacale*, in its capacity as audit committee, prepared in accordance with article 11 of the Regulation mentioned above.



**Edison S.p.A.**

*Independent auditors' report*

*31 December 2024*

## **Report on other legal and regulatory requirements**

### ***Opinion on the compliance with the provisions of Commission Delegated Regulation (EU) 2019/815***

The parent's directors are responsible for the application of the provisions of Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF) to the separate financial statements at 31 December 2024 to be included in the annual financial report.

We have performed the procedures required by Standard on Auditing (SA Italia) 700B in order to express an opinion on the compliance of the separate financial statements with Commission Delegated Regulation (EU) 2019/815.

In our opinion, the separate financial statements at 31 December 2024 have been prepared in XHTML format in compliance with the provisions of Commission Delegated Regulation (EU) 2019/815.

### ***Opinion and statement pursuant to article 14.2.e)/e-bis)/e-ter) of Legislative decree no. 39/10 and article 123-bis.4 of Legislative decree no. 58/98***

The company's directors are responsible for the preparation of a directors' report and a report on corporate governance and ownership structure at 31 December 2024 and for the consistency of such reports with the related separate financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the separate financial statements;
- express an opinion on the consistency of the report on operations, excluding the section that includes the consolidated sustainability statement, and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 with the applicable law;
- issue a statement of any material misstatements in the report on operations and certain specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98.

In our opinion, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 are consistent with the company's separate financial statements at 31 December 2024.

Moreover, in our opinion, excluding the section which includes the consolidated sustainability statement, the report on operations and the specific information presented in the report on corporate governance and ownership structure required by article 123-bis.4 of Legislative decree no. 58/98 have been prepared in compliance with the applicable law.

With reference to the above statement required by article 14.2.e-ter) of Legislative decree no. 39/10, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have nothing to report.



**Edison S.p.A.**

*Independent auditors' report*

*31 December 2024*

Our opinion on compliance with the applicable law does not extend to the report on operations' section which includes the consolidated sustainability statement. Our conclusion on the compliance of this section with the legislation governing its preparation and with the disclosure requirements of article 8 of Regulation (EU) 2020/852 is included in the assurance report prepared in accordance with article 14-bis of Legislative decree no. 39/10.

Milan, 27 February 2025

KPMG S.p.A.

(signed on the original)

Jacopo Ralph Ronzoni  
Director of Audit