2025 Group Annual Report

2025 Consolidated Financial Statements

VERITAS

Veritas spa

veneziana energia risorse idriche territorio ambiente servizi

Registered office

Santa Croce 489, Venice

Board of Directors

Chair

Marco Bordignon

Directors

Michele Bison

Sara Da Lio

Silvia De Pieri

Beatrice Filippi

Francesca Longo

Pier Giorgio Ometto

Luca Schiavon

Emiliano Teso

Board of Statutory Auditors

Chair

Maria Giovanna Ronconi

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Benvenuti al
PARCO
DEPURACQUE
OASI DI BIODIVERSITÀ
A SALZANO (VE)

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Group Annual Report

2.1 Report on operations

2.1.1 Business performance in 2025

Dear Shareholders,

The Veritas spa General Meeting of June 27, 2008 determined that the Veritas Group would apply voluntarily Legislative Decree 38 of February 28, 2005, as permitted by Italian law, and opt to publish consolidated financial statements compliant with International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS).

In accordance with the by-laws and Article 2364 of the Italian Civil Code, because the Group is required to prepare consolidated financial statements under Article 25 of Legislative Decree 127/91, the financial statements must be approved within 180 days from the end of the fiscal year.

The financial statements of the Veritas Group for the year ended December 31, 2025 show a net profit of € 11,861 thousand, compared with € 12,007 thousand for the year ended December 31, 2024.

Including non-controlling interests, the consolidated net profit amounts to € 10,690 thousand, compared with € 9,235 thousand for 2024.

The consolidated financial statements include the financial statements of the parent company, Veritas spa, and of the companies it controls either directly or indirectly (through its subsidiaries), determining their financial and managerial decisions and obtaining the relative benefits.

Since 2017 the parent company has also prepared separate financial statements compliant with IFRS, under Legislative Decree 38/2005 as it pertains to public interest entities.

The following companies, in accordance with IFRS 10, are included within the scope of consolidation at December 31, 2025:

consolidated companies	registered office	share capital	Dec. 31, 2025 Group's share	Dec. 31, 2024 Group's share
Veritas SpA (parent company)	Venice	145,397,150		
Eco+Eco srl	Venice	110,353,576	80.84%	72.95%
Asvo spa	Portogruaro (Venice)	18,969,650	100.00%	55.75%
Consorzio gestione servizi comuni Fusina	Venice	50,000	88.23%	88.23%
Metalrecycling Venice srl	Venice	5,868,934	80.84%	72.95%
Depuracque servizi srl	Salzano (Venice)	223,080	100.00%	100.00%
Lecher ricerche e analisi srl	Salzano (Venice)	46,800	100.00%	100.00%
Rive srl	Venice	4,000,000	70.00%	70.00%
Ecodistretto Trasporti scarl	Venice	20,000	64.67%	58.36%
Veritas Conegliano srl	Venice	100,000	72.50%	72.50%
Euroscavi srl	Badia Polesine (Rome)	10,329	100.00%	100.00%
Sifa Scpa	Venice	30,000,000	84.33%	84.33%
Ri.cart Venezia srl	Istrana (Treviso)	200,000	80.84%	32.83%
Ecodistretto RE srl	Venice	24,478,000	80.84%	72.95%

In 2025 the scope of consolidation underwent the following changes:

- On April 17, 2025, the Board of Directors of Metalrecycling Venice srl promptly complied with the legal obligations regarding losses exceeding one third of the share capital, and then, at the General Meeting held in April 2025, the sole shareholder Eco+Eco srl reduced the share capital as a result of the losses and subsequently subscribed to a capital increase of € 5 million, in part by offsetting receivables due from the company. The new share capital is € 5,869 thousand;

- On April 30, 2025, Rive srl's shareholders (Depuracque servizi and Hexa Green) resolved, subscribed to and paid in pro-rata a € 2,000 thousand share capital increase, bringing the company's new capital to € 4,000 thousand;
- On October 7, 2025, Eco+Eco acquired a 55% stake in its associate Ri.Cart. Venezia srl, bringing the Group's ownership to 100% and thus obtaining the control and the consolidation of the company within the Group from such date;
- In November 2025 the parent company acquired all Asvo shares by purchasing the remaining shares (44.25% of capital) owned by the Portogruaro municipalities (Veritas shareholders), in part through an exchange of Veritas treasury shares purchased specifically for the transaction by other Veritas shareholder municipalities that were not Asvo shareholders, in part with cash payment and in part with debt, pending the Municipality of Chioggia's sale to Veritas of its portion of treasury shares, which occurred in January 2026 and enabled paying off the residual debt to the Portogruaro municipalities with the handover of those treasury shares.

  This transaction changed the ownership percentages of Veritas' share capital;
- In December 2025 Veritas subscribed to an additional share capital increase resolved by Eco+Eco srl to meet the financial commitments of the business plan whose investments were in progress; as a result of the € 20 million subscription, Veritas now owns 71.45% of Eco+Eco's share capital (previously 66.88%); the capital increase was paid by offsetting with trade receivables for the same amount.

The following companies are associates not consolidated using the full consolidation method:

associates	registered office	share capital	Group's share Dec. 31, 2025	Group's share Dec. 31, 2024
Ecolegno CM Venezia srl	Venice	50,000	32.34%	29.18%
Bioenergie italiane srl	Venice	1,000,000	24.25%	21.89%
9-Tech srl	Eraclea (Venice)	256,400	22.00%	22.00%
Vier scarl	Venice	100,000	49.00%	49.00%
reclassified companies				
Ri.cart srl	Istrana (Treviso)	200,000	80.84%	32.83%
OMD srl	Nervesa della Battaglia (Treviso)	160,000	0.00%	18.24%

The changes from the previous year comprise:

- Eco+Eco's sale on December 18, 2025 of 18.24% of the OMD srl quotas.

Veritas spa's subscribed and paid-in share capital at December 31, 2025 was € 145,397 thousand, unchanged since the previous year.
The Group provides local public services, waste management and water treatment and distribution, in the 51 shareholder municipalities belonging to the optimal territorial ambits (OTAs) of the provinces of Venice and Treviso. The population served numbers approximately 915,000, equal to almost the entire metropolitan area of Venice and 18% of the residents of the Veneto region, plus some 40 million tourists who visit Venice, the surrounding areas, and the Jesolo, Eraclea, Caorle, Bibione and Chioggia coastlines each year, for a total population equivalent of more than 1 million.

Since merging with Asi in 2017, Veritas has been providing integrated water services in 36 municipalities.

Regarding the integrated waste management service, Veritas spa covers the area under the responsibility of the three companies operating before the 2007 merger (Vesta spa, Acm spa and Asp spa), to which the following municipalities have been added over time: Cavarzere, Cona, San Donà di Piave, Fossalta di Piave, Mogliano Veneto, Ceggia, Eraclea, Jesolo, Musile di Piave, Noventa di Piave, and Torre di Mosto, and since January 1, 2024 also the 11 Portogruaro municipalities previously managed by Asvo spa, following the lease of the business unit by that subsidiary to Veritas.

The year 2025 featured a return to macroeconomic instability, due primarily to tariff policies introduced by the United States, which is becoming more evident in 2026 as a result of current geopolitical scenarios involving ongoing conflicts leading to higher electricity and natural gas prices, among other consequences.

The Company's important business plan continued to be implemented during 2025, and is being funded by public grants and additional forms of financing, including those incentivized by government guarantees.

During 2025, the parent company stipulated six new loans totaling € 115 million, of which € 100 million was backed by Sace Growth guarantees; € 20 million was disbursed in January 2026. The total amount of loans received, including those stipulated in the previous year but disbursed this year, is € 114 million.

Eco+Eco secured a new loan, also backed by a Sace Growth guarantee, from Cherry Bank spa for a nominal value of € 5 million.

The following table shows the Veritas Group's key performance data for 2025 and the previous year, in thousands of euros. It also shows each item as a percentage of the total net revenue for both periods.

key performance figures (in thousands of euros)	2025	%	2024	%
total net revenue	**553,378**	**100.0%**	**535,722**	**100.0%**
personnel costs	-196,847	-35.6%	-188,818	-35.2%
other operating costs and provisions	-250,188	-45.2%	-242,053	-45.2%
EBITDA	**106,343**	**19.2%**	**104,851**	**19.6%**
amortization, depreciation and impairment losses	-66,081	-11.9%	-62,088	-11.6%
allocations to provisions for risks and charges	-2,414	-0.4%	-5,189	-1.0%
operating profit/(loss)	**37,848**	**6.8%**	**37,574**	**7.0%**
share of investments accounted for using the equity method	0	0.0%	0	0.0%
finance costs/(income)	-20,763	-3.8%	-19,472	-3.6%
profit before tax	**17,085**	**3.1%**	**18,102**	**3.4%**
income tax for the year	-6,395	-1.2%	-8,867	-1.7%
profit from the year from continuing operations	**10,690**	**1.9%**	**9,235**	**1.7%**
profit for the year from discontinued operations	0	0.0%	0	0.0%
consolidated profit for the year	**10,690**	**1.9%**	**9,235**	**1.7%**
profit for the year attributable to non-controlling interests	-1,171	-0.2%	-2,772	-0.5%
Group net profit	**11,861**	**2.1%**	**12,007**	**2.2%**

The **total net revenue** amounts to € 553.4 million, up by € 17.7 million from that of 2024 (+3.3%).

Of the total, the revenue from sales and services is € 538.9 million, up by € 12.7 million over the previous year due to greater revenues from rate-based sales and services (€ +7.5 million), from institutional services (€ +2.5 million) and from services to third parties (€ +2.6 million).

The revenue from waste management services came to € 240.6 million (€ +16 million), and it regards solely Veritas because the waste management service previously handled by Asvo has been leased to Veritas since January 1, 2024.

The higher amount reflects the rate increase recognized with the approval of the 2025 financial plans ("FPs"), and the recognition of rate adjustments of this and previous periods to be recovered in future FPs.

Since 2020, waste rates have been governed by the Italian Regulatory Authority for Energy, Networks and Environment (Autorità di regolazione per energia reti e ambiente, or “Arera”), using the waste rate method ("Mtr") for 2020-2021; however, since 2022, the revised waste rate method ("Mtr-2") has been in effect as approved with Resolution 363/R/rif of August 3, 2021, effective for 2022-2025.

Moreover, with Resolution 397/R/of August 5, 2025, Arera approved the new waste rate method ("Mtr-3"), effective for 2026-2029.

In addition, the waste rate method for 2020-2021 had limited the annual rate increase (to within-cap), while the over-cap portion, which requires confirmation by Arera, produced rate adjustments that cannot be accounted for except where they have been covered by the municipalities' own funds. Mtr-2 takes a new approach by allowing those generated from 2022 onwards to be included in future FPs without prior confirmation by Arera.

The 2022-2025 FPs were approved with Venice Environment Basin Council Resolution 7 of April 14, 2022, and this year the Basin Council approved the updated 2024-2025 FPs with Resolution 4 of April 9, 2024.

The update to the 2025 PF entails an average rate increase of 3.16% compared to the previous year, and the recognition as revenue of the adjustments foreseen by the method for 2024 and 2025, for a total of € 7.1 million, to be recovered in the 2026–2027 PFs.

Furthermore, following the Venice Environment Basin Council's approval of the 2026–2029 PFs using the new Mtr-3 method with Resolution 5 of April 30, 2026, Veritas was able to recognize as revenue of € 5.2 million certain adjustments generated by over-cap components of pertaining to both the current year and prior years, as they are certain to be recoverable during in 2026 and 2027.

The parent company's revenues from regulated water rates amounted to € 133.7 million (a € 10.8 million decrease from the previous year due to the non-recurring recognition in the previous year of rate adjustments totaling € 18.2 million following the approval of the 2024–2029 rates).

The rate for the integrated water service follows the rate method (Mti-4) approved by Arera in December 2023 with Resolution 639/2023/R/idr, effective for 2024-2029. Consequently, with Resolution 14/2025/R/idr of January 21, 2025, Arera approved the rates applicable to Veritas for that period.

The water rate approved for 2025 is 9.95% higher than that of 2024.

Nevertheless, the integrated water service rate remains one of the lowest in the country, and because of various factors beyond the rate adjustment formulas, it is not expected to rise by an appreciable amount.

Revenues from services rendered to third parties rose by € 2.6 million, and other income increased by € 5 million.

Personnel costs (€ 196.8 million) were higher than in 2024 (€ 188.8 million). The increase is attributable primarily to an increase in fixed-term workers to meet seasonality demands, as well as salary raises given under the renewed national collective labor agreements (for employees working in the gas-water sector and environmental services sector) and corporate remuneration polices.

The average number of employees in terms of full-time equivalents (FTEs) is 3,551, up by 68 (2%) from the prior year.

average annual headcount (FTEs)	2025	2024	change
upper management	23.66	25.08	-1.42
lower management	91.77	89.15	2.62
white-collar employees	1,104.60	1,069.85	34.75
blue-collar employees	2,330.89	2,299.02	31.87
total average headcount	**3,550.92**	**3,483.10**	**67.82**

Personnel costs correspond to 35.6% of total net revenue, versus 35.2% in 2024.

Other operating expenses and provisions correspond to 45.2% of total revenue, up by € 8.1 million.

Specifically, they refer to purchases of raw materials and consumables (€ 50.5 million), the cost of services (€ 180.5 million), costs for using third-party assets (€ 5.6 million), and sundry operating expenses (€ 16 million).

Among the external operating expenses (within "utilities"), **electricity costs** are one of the Group's largest expenses, and they are generated mostly by the water treatment plants.

This major cost item amounted to € 27.9 million in 2025 (€ 23.9 million for the parent company alone), a decrease of € 1.5 million (€ 2.4 million for Veritas) from 2024.

At Veritas, the total electricity consumption fell by 10.52% in 2025 compared to 2024, a decrease attributable in part to the Port area but mostly, with regard to medium-voltage systems, to the supplies most affected by precipitation trends, such as sewerage and wastewater treatment, which were significantly lower in the first quarter, particularly during February. The decline continued over the other quarters, despite a August 21 spike caused by heavy rainfall. Due to torrential rains, our consumption grew substantially, nearly doubling compared to “dry” periods, particularly in the water treatment and sewer systems sectors.

Although the uniform purchase price ("PUN") continued to rise in the first two months of the year, the increase halted in the second quarter, leading to a significant decrease in the energy component, which remained at lower levels in the following period as well, only to rise again in the last quarter due to higher demand. Similarly, the dispatching charge rose, presenting fluctuations throughout the year.

Consequently, the average unit price rose slightly (1.49%), affected by medium voltages, while the company’s total expenditure decreased by 9.2%, despite the persisting Russia-Ukraine conflict and other international geopolitical tensions, including the imposition of tariffs.

The **gross operating margin (EBITDA)** of € 106.3 million increased by 1.4% compared with the € 104.9 million of 2024.

At € 37.8 million, the **operating income (EBIT)** was 0.7% higher than in 2024 (€ 37.6 million).

The **net finance costs** of € 20.8 million are up by € 1.3 million from those of 2024.

The **profit before tax** is € 17.1 million, down from the € 18.1 million of 2024, and is 3.1% of the total net revenue.

Income tax for the year is € 6.4 million, down by € 2.5 million from 2024.

The consolidated profit for the year is € 10,690 thousand, versus € 9,235 thousand for 2024**.**

The **profit for the year attributable to non-controlling interests** of € -1,171 thousand (€ -2,772 thousand in 2024) refers mainly to the subsidiary Eco+Eco srl.

The Veritas Group's key financial figures are presented below (in thousands of euros):

key financial figures (in thousands of euros)	Dec. 31, 2025	inc. %	Dec. 31, 2024	inc. %
non-current assets	1,005,897	116.7%	939,705	112.4%
net working capital	-144,001	-16.7%	-103,661	-12.4%
net invested capital	**861,896**	**100.0%**	**836,044**	**100.0%**
equity attributable to the Group	316,192	36.7%	313,193	37.5%
equity attributable to non-controlling interests	28,157	3.3%	33,827	4.1%
net non-current liabilities (excluding loans)	113,988	13.2%	127,208	15.2%
net financial debt	403,559	46.8%	361,816	43.3%
sources of funding	**861,896**	**100.0%**	**836,044**	**100.0%**

Non-current assets increased by € 66.2 million from the previous year.

Capital expenditure in 2025 amounts to € 163.1 million, up by € 8.5 million from the previous year, as follows:

capital expenditure (in thousands of euros)	2025	2024
intangible assets	6,082	5,627
property, plant and equipment	105,158	91,239
goods for services under concession	51,866	57,717
total capital expenditure	**163,106**	**154,583**

Net working capital went from € -103.7 million at the end of 2024 to € -144 million. The performance of net working capital is explained in the notes on borrowing risk in section 2.1.2, “Risks and uncertainties”.

Equity decreased by a total of € 2.7 million from the previous year, the balance of € +10.7 million from the net profit, € +0.1 million from the annual effect of the discounting of retirement benefit obligations and adjustment of the cash flow hedge reserve, and € -13.4 million for the other changes in equity of investees. Equity attributable to non-controlling interests fell from € 33.8 million to € 28.2 million, while the Group's net profit for the year amounted to € 11.9 million.

Net non-current liabilities are € 114 million, down by € 13.2 million from the € 127.2 million at December 31, 2024. They consist of long-term liabilities due to other parties as well as provisions, including for retirement benefit obligations.

The Group's **net financial debt** rose by € 41.7 million, from € 361.8 million to € 403.6 million. See the statement of cash flows for the details of the individual changes.

The Group has a high level of debt but a sustainable net debt/EBITDA ratio of 3.79, compared to 3.45 for the previous year.

The net debt has the following composition:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
cash and cash equivalents	**-135,927**	**-103,270**
bank overdrafts and current portion of bank loans	47,511	49,281
current portion of loans from other lenders	37,482	23,466
derivative liabilities	618	1,293
current financial payables due to shareholders	568	667
current financial payables due to associates		
current financial debt	**86,179**	**74,707**
net current financial debt	**-49,748**	**-28,563**
long-term bank loans	273,026	216,965
long-term loans from other lenders	173,871	165,676
non-current financial payables due to shareholders	6,410	7,738
non-current financial payables due to associates		
non-current financial debt	**453,307**	**390,379**
net financial debt	**403,559**	**361,816**

Definition of alternative performance measures

Alternative performance measures are non-Gaap measures used to evaluate business performance.

On October 5, 2015, the European Security and Markets Authority (ESMA) published its guidelines (Esma/2015/1415) on the criteria for the presentation of alternative performance measures, which replaced, as of July 3, 2016, the Cesr/05-178b recommendations. The guidelines were incorporated into the Italian system with Consob Communication 0092543 of December 3, 2015. In addition, on March 4, 2021 Esma published guidance on disclosure requirements under the new Prospectus Regulation (Regulation EU 2017/1129 and Commission Delegated Regulations EU 2019/980 and 2019/979), which update previous Cesr Recommendations (Esma/2013/319, as revised on March 20, 2013).

The content and meaning of the non-Gaap performance measures and other alternative performance measures used in this report are explained hereunder:

- EBITDA is the difference between operating income and expenses, gross of depreciation and amortization (net of equipment-related grants), impairment losses, risk provisions and other provisions;
- Net financial debt, calculated as outlined in the main financial covenants in place at December 31, is the difference between the total financial liabilities and the short-term financial assets (in the case of the Group, the latter consist solely of cash and cash equivalents);
- Net invested capital is the sum of non-current assets and net working capital;
- Working capital is the sum of current receivables, inventories and contract work in progress, the net balance of other current assets and liabilities, and current payables, excluding the items used to determine the net financial position/(debt).

2.1.2 Risks and uncertainties

Regulatory framework and status of assignments

Over the years, numerous legislative measures and rulings have been issued by the authorities responsible for local public services, which have made it difficult to reconstruct and interpret the applicable regulatory framework.

Following the abrogative referendum repealing Decree Law 112, Article 23-bis of June 25, 2008, converted into Law 133 of August 6, 2008, *et seq.*, and the consequent repeal of the related regulation approved with Presidential Decree 168 of September 7, 2011, the legislature enacted new regulations contained in:

- Decree Law 138, Article 4 of August 13, 2011, converted into Law 148 of September 14, 2011, as subsequently amended most recently by the Decree Law of October 18, 2012, converted, with amendments, into Law 221 of December 17, 2012;
- Decree Law 1 of January 24, 2012, converted into Law 27 of March 24, 2012.

The provision contained in the Article 4 referred to above was declared unconstitutional in Constitutional Court Decision 199 of July 20, 2012, as it essentially replicated the provisions contained in the aforementioned Article 23-bis, which had been repealed by a popular referendum.

The Constitutional Court also noted that the provisions of Article 4 had drastically reduced the instances in which local public services could be directly awarded to in-house companies, which the referendum outcome intended to preserve.

Decree Law 1 of January 24, 2012, converted into Law 27 of March 24, 2012, which in Section V contained guiding principles designed to strengthen competition, efficiency, and transparency in the handling of local public services, in accordance with EU law and Article 41 of the Italian Constitution, is superseded by the cited Legislative Decree 201/2022, currently in effect.

Decree Law 179/2012, Article 34 (last amended by Legislative Decree 201/2022)

As a result of the Constitutional Court's ruling, the legislature once again took action to regulate the matter through Decree Law 179, Article 34 of October 18, 2012, converted into Law 221 of December 17, 2012, paragraphs 20 through 27, essentially permitting the in-house management of local public services, in accordance with the aforementioned Constitutional Court ruling.

Decree Law 179/2012, Article 34 was subsequently amended (and ultimately paragraphs 20, 21, and 25 were repealed by Legislative Decree 201/2022).

Decree Law 138/2011, Article 3-bis (whose paragraph 1-bis, fourth, fifth, and sixth sentences were ultimately repealed and the third sentence replaced by Legislative Decree 201/2022)

Decree Law 138/2011, Article 3-bis, first paragraph provided for the establishment of optimal and uniform territorial ambits or catchment areas for the organization of local public network services of economic significance, which had to be identified by June 30, 2012 by the Regions, which define their boundaries, to enable the economies of scale and differentiation suitable for maximizing service efficiency, and establish the relevant government entities.

Article 3-bis, paragraph 1, also provides that the size of the optimal territorial ambits or catchment areas generally corresponds to that of the province area, while also allowing for the possibility of identifying catchment areas of different sizes, according to territorial and socioeconomic differentiation and the principles of proportionality, adequacy, and efficiency with respect to the characteristics of the service.

The aforementioned Article 3-bis, paragraph 1-bis, as most recently amended by Legislative Decree 201/2022, provides, among other things, that the organization of local public network services of economic significance (including those in the urban waste sector), selection of operating form, setting of user rates as within their competence, awarding of the operation contracts and the related oversight be exercised exclusively by the government entities of the optimal territorial ambits established pursuant to the same Article 3-bis, paragraph 1, in which local authorities are required to participate.

In accordance with Law 191/2009, Article 2, paragraph 186 bis, which abolished optimal territorial ambit authorities, the **Veneto Region** approved:

- Law 17 of April 27, 2012, which established the relevant Basin Council for the operation of the integrated water service for the Venice Lagoon optimal territorial ambit;
- with Regional Executive Resolution 856 of June 4, 2013, the Veneto Region subsequently approved changes to the optimal territorial ambits of the Venice Lagoon and Eastern Veneto, including in the former ambit the municipalities of Caorle, Ceggia, Cessalto, Eraclea, Fossalta di Piave, Jesolo, Musile di Piave, Noventa di Piave, San Donà di Piave, Torre di Mosto and Zenson di Piave;
- with Law 52 of December 31, 2012, it approved the new optimal territorial ambit for the organization of the integrated municipal waste management service, which coincides with the regional territory; however, it delegated to the regional executive body, as proposed by the local entities concerned, the authority to recognize sub-provincial or inter-provincial catchment areas of varying sizes; the local entities within the aforementioned territorial ambits will jointly carry out the functions of organizing and directly overseeing the integrated municipal waste management service through the Basin Councils;
- with Veneto Regional Council Resolution 13 dated January 21, 2014, the new grouping of territorial ambits was approved for the joint organization and oversight of the integrated municipal waste management service;
- on November 24, 2014 the Venice Environment Basin Council was established with the signing of the Agreement for the establishment and operation of the Venice Environment Basin Council concerning the integrated municipal waste management service in the Venice basin by the representatives of all 44 municipalities of the Venice metropolitan area and the municipality of Mogliano Veneto. The Basin Council's assumption of the activities and legal relationships of the Venice Environment optimal territorial ambit (OTA), established under Regional Law 3, Article 14 of January 21, 2000, in force at that time, and currently in liquidation, was completed with Basin Committee Resolution 3 of April 27, 2015.

Environmental Code

The rules contained in Legislative Decree 152 of April 3, 2006 (the Environmental Code) apply to the integrated water and waste management services.

With respect to the **integrated water service**, Legislative Decree 152/2006, Article 147, supplemented and amended by subsequent legal provisions, states in paragraph 1 that "Water services are organized based on the optimal territorial ambits defined by the regions …" and that "Local entities within the same optimal ambit must participate in the ambit's governing entity, identified by the competent region for each such ambit, which shall take over the responsibilities for water resource management …"

Article 147, paragraph 2, allows the Regions to modify the boundaries of the optimal territorial ambits in order to improve the operation of the integrated water service, while ensuring that it is carried out in accordance with efficiency, effectiveness and cost-effectiveness and in compliance with the following principles:

a. unity of the river basin or sub-basin or of contiguous river basins, taking into account the basin plans as well as the location of the resources and the constraints on their intended use, including those arising from customary practice, in favor of the inhabited areas affected;

b. unity of command;

c. appropriateness of the scale of operations, defined on the basis of physical, demographic, and technical parameters.

Environmental Code Article 149 *bis*, added by Decree Law 133, Article 7(1)(d) of September 12, 2014, converted with amendments into Law 164 of November 11, 2014 and amended by Law 190, Article 1(615) of December 23, 2014, expressly recognizes the possibility to assign the integrated water service directly to in-house companies. Paragraph 1 of the article states that:

1. "In accordance with the ambit plan referred to in Article 149 and the unity of command principle for each optimal territorial ambit, the governing entity of the ambit shall determine the form of management from among those provided for by European law and, consequently, to award the service in compliance with the national legislation governing the organization of local public network services of economic significance. Services may be awarded directly to wholly publicly owned companies that meet the requirements set forth by European law for in-house operation, provided that they are owned by local entities within the optimal territorial ambit […]".

Regarding the integrated waste management service, *Environmental Code* Article 200, paragraph 1 dictates that municipal waste management is organized on the basis of optimal territorial ambits (OTAs) according to the following criteria:

a) creation of an integrated waste management service to solve the problem of fragmentation;
b) achievement of adequate operational size, based on physical, demographic and technical parameters and political-administrative subdivisions;
c) adequate evaluation of the road and rail communication system to optimize transport within the OTA;
d) appreciation of common needs and similarities in waste generation and management;
e) survey of waste management facilities already built and in operation;
f) consideration of the previous boundaries so that the new OTAs deviate from them based only on a well-founded need for effectiveness, efficiency and economy.

Article 200, second paragraph, provides that, within six months of Legislative Decree 152/2006, Section IV coming into effect, the Regions shall, as part of the programming and planning activities within their competence, establish the boundaries of the optimal territorial ambits after consulting with the provinces and municipalities concerned.

Article 200, paragraph 4, states that the Regions shall regulate the monitoring, including by way of substitution, of the waste management operations, the functioning of the related facilities, and the compliance with the limits and requirements set forth in the relevant authorizations.

Under *Environmental Code* Article 202, the waste management service has to be organized in compliance with "EU principles and provisions, following the regulations in force with respect to the assignment of local public services […]".

In 2020, several legislative decrees were issued to incorporate the EU circular economy measures, which amended six directives on waste and landfills. Of particular note is Legislative Decree 116 of September 3, 2020, *Implementing Directive (EU) 2018/851, amending Directive 2008/98/EC on waste, and the implementation of Directive (EU) 2018/852 amending Directive 1994/62/EC on packaging and packaging waste*. Legislative Decree 116/2020 brought significant amendments to Legislative Decree 152/2006, Section IV, concerning waste management and the remediation of contaminated sites. With respect to Legislative Decree 152/2006, Article 198, Legislative Decree 116/2020 eliminated the possibility for municipalities to treat non-hazardous special waste as equivalent to municipal waste based on quality and quantity, instead establishing a uniform legal classification applicable throughout the entire national territory, in accordance with the EU-derived definition of municipal waste.

Under Article 198, paragraph 2-bis, non-residential users may dispose of their municipal waste outside the public waste management system, provided they can demonstrate that the waste has been directed to recovery by means of a certificate issued by the entity carrying out the waste recovery activity.

These provisions stipulate that non-residential users who decide to dispose of municipal waste outside the public service, provided they demonstrate this through the aforementioned certification, are exempt from paying the variable fee component. The decision to award the service to a private or public operator must remain in effect for a period of no less than five years.

With this in mind, in 2021 Veritas spa took a series of initiatives to address these regulatory changes, including a form of communication/publicity aimed at informing stakeholders of the chance to make this choice by June 30 and attain a redefinition of taxable surface area for the following year.

Legislative Decree 213 of December 23, 2022 was issued, containing additional and corrective measures to Legislative Decree 116 of September 3, 2020, implementing Directive (EU) 2018/851, which modifies Directive 2008/98/EC on waste, and Directive (EU) 2018/852 which modifies Directive 1994/62/EC on packaging and packaging waste.

European legislation

The legality of awarding public services to in-house companies was confirmed in Directive (EU) 23, Article 17 of February 26, 2014, concerning the awarding of concession contracts, and in Directive (EU) 24, Article 12 of February 26, 2014, concerning public procurement, and for special sectors in Article 28 of the same directive.

Public Contracts Code

The EU directives were incorporated into Italian law with Legislative Decree 50 of April 18, 2016 (the *Public Contracts Code*), as later amended and now repealed by the new *Public Contracts Code* pursuant to Legislative Decree 36 of March 31, 2023. The new Public Contracts Code pursuant to Legislative Decree 36/2023 was issued to adhere more closely to European regulations for public contracts, to prevent the European Commission from launching infringement procedures, and to resolve those already pending. At the European level, Directives 2014/23/EU and 2014/24/EU referred to above are still in effect.

The legality of in-house contracts was incorporated into repealed Legislative Decree 50/2016, Article 5, in effect at the time.

Noteworthy is Article 192 ("special rules for in-house assignments") of the repealed Legislative Decree 50/2016, as amended by Legislative Decree 56/2017, in effect since May 20, 2017, pursuant to which ANAC, by a resolution signed on February 15, 2022, ordered the inclusion of Veritas spa in the list of contracting entities and entities that award contracts directly to their own in-house entities pursuant to Legislative Decree 50/2016, Article 192, paragraph 1.

Legislative Decree 36 of March 31, 2023, containing the *Public Contracts Code*, was issued to implement Law 78, Article 1 of June 21, 2022, which repealed the previous Legislative Decree 50/2016.

Legislative Decree 36/2023 did not reproduce the instructions contained in Legislative Decree 50/2016, Article 192, previously in force.

Legislative Decree 36/2023 contains the following provisions that may be of interest.

Article 7, entitled *Principle of Administrative Self-Organization*, affirms in its first paragraph that public entities shall autonomously organize the performance of works or the supply of goods and services through in-house production, outsourcing and cooperation, in compliance with the Code and European Union law.

Article 7, paragraph 2 provides that the contracting authorities and concession-granting entities may award works, services, or supplies directly to in-house companies, in accordance with the principles of results, trust, and market access set forth in Articles 1, 2, and 3. The decision must be supported by a reasoned measure that accounts for the advantages for the community, the related external effects and the economic congruity of the service, including in relation to the pursuit of the objectives of universality, sociability, efficiency, cost-effectiveness, quality of the service, speed of the procedure and rational use of public resources.

Article 7, paragraph 3 *refers to Legislative Decree 201 of December 23, 2022 for the in-house awarding of services of general economic interest at a local level.*

Article 23, paragraph 5, states that:

5. In its regulation, ANAC specifies the information that contracting authorities and concession-granting entities are required to submit to the National Public Contracts Database through the electronic platforms referred to in Article 25. The disclosure requirements referred to in the first sentence also apply to contracts awarded directly to in-house companies as per Article 7, paragraph 2.

Annex I.1, Article 3, paragraph 1, letter e), as amended by Legislative Decree 209 of December 31, 2024, defines in-house assignment in the Public Contracts Code as follows:

e) «in-house assignment», the direct assignment of a procurement or concession contract to a legal person governed by public law or private law as defined in Article 2, paragraph 1 letter o), of the Consolidated Law on Publicly Owned Companies, referred to in Legislative Decree 175 of August 19, 2016, under the conditions stated in Directive 24/2014/EU, Article 12, paragraphs 1, 2 and 3, Directive 23/2014/EU, Article 17, paragraphs 1, 2 and 3, and, for special sectors, Directive 24/2014/EU, Article 28, paragraphs 1, 2 and 3.

Consolidated Law on Publicly Owned Companies

On September 23, 2016, Legislative Decree 175 of August 19, 2016 (the Consolidated Law on Publicly Owned Companies) came into force implementing Law 124, Article 18 of August 7, 2015 on the reorganization of public entities (otherwise known as the Madia Law), last amended to Article 20 by Law 199, Article 1, paragraph 967 of December 30, 2025, effective January 1, 2026.

Concerning the subjective scope of Legislative Decree 175/2016 *et seq.*, Article 1, paragraph 5 states that: "5. *The provisions of this decree apply, only where expressly envisaged, to listed companies as defined in Art. 2(1)(p), as well as to companies controlled by them,"* and Article 2, paragraph 1, letter p), reproduced below, defines listed companies as: "p) *publicly owned companies that issue shares listed on regulated markets; and companies that have issued, as of December 31, 2015, financial instruments other than shares that are listed on regulated markets"*.

In addition, Article 26, paragraph 5-bis - added by Decree Law 113, Article 10, paragraph 1 of August 9, 2024, converted, with amendments, by Law 143 of October 7, 2024 - provides that: "*5 bis. Companies issuing financial instruments, other than shares, listed on regulated markets, subject to the regulations set forth in Article 1, paragraph 5, and paragraph 5 of this Article, shall continue to apply the provisions contained in the same paragraphs as a result of the extension of the financial instrument or subsequent issues in substantial continuity."*

Veritas meets the definition of a listed company under the aforementioned regulatory provision since, in November 2014, it issued financial instruments consisting of notes listed on regulated markets, assuming the status of a public interest entity (PIE) pursuant to Leg. Decree 39/2010, Article 16, paragraph 1, and since it issued, in continuity with the previous ones, notes targeted to institutional investors, listed on a regulated market in December 2020. In view of this, Legislative Decree 175/2016 as amended applies to Veritas spa only when it is expressly contemplated, and therefore when there is no express provision for applicability, the consolidated law does not apply.

In any case, insofar as it is pertinent herein, the Consolidated Law on Publicly Owned Companies does not appear to contain any provisions that could directly affect the duration of existing assignments.

However, the decree refers to certain provisions regarding in-house providing that do not always align with Legislative Decree 50/2016, then in effect and now repealed by Legislative Decree 36/2023. In this regard, Legislative Decree 36/2023, Article 226, paragraph 5 states, *"Any reference in legislative, regulatory, or administrative provisions in effect under Legislative Decree 50 of April 18, 2016, or to the Public Contracts Code in force at the date of entry into force of the Code, shall be deemed to refer to the corresponding provisions of the Code or, in the absence thereof, to the principles derivable from the Code"*.

For the sake of completeness, some of the aforementioned provisions are set forth below, specifically those set forth in Article 2 (*Definitions*), letters (c), (d), and (o), and in Article 16 (*In-house Companies*).

Article 2(c) defines similar control as a situation in which a public entity exercises control over a company similar to that exercised over its own services, with a decisive influence on both the strategic objectives and on the significant decisions of the company controlled. The control may also be exercised by a different legal person controlled in the same manner by the participating entity.

Article 2(d) defines similar joint control as a situation in which the authority exercises control jointly with other authorities over a company similar to that exercised over their own services. This situation occurs when the conditions of Legislative Decree 50, Article 5, paragraph 5 of April 18, 2016 are present.

Article 2(o) defines in-house companies as companies over which an authority exercises similar control or more than one authority exercises similar joint control, in which private capital ownership occurs in the forms contemplated in Article 16, paragraph 1, and that meet the requisite of the prevailing activity as per Article 16, paragraph 3.

Paragraph 1 of Article 16 states that in-house companies shall receive directly assigned public contracts from the authorities that control them, or from each of the authorities exercising joint control over them, only in the absence of private investors, except where required by law and in a form that does not entail control or veto power or the exercise of a dominant influence.

Paragraph 2 provides that, in order to implement the aforementioned organizational structure, joint-stock companies' articles of association may contain clauses that derogate from Civil Code Articles 2380-bis and 2409-novies (read as "nonies") concerning, respectively, the company management and the Board of Directors. Paragraph 2 also provides that the requirements for similar control may be met through ad-hoc shareholders' agreements, whose durations may exceed 5 years, as an exception to Civil Code Article 2341-bis, first paragraph (which specifically sets the maximum duration of shareholders' agreements as 5 years).

Paragraph 3 states that the articles of association shall require more than 80% of turnover to be made in the performance of the tasks assigned to the company by the public entity or shareholder public entities, while paragraph 3-bis provides that production in addition to the predominant activity be permitted only if it allows achieving economies of scale or other efficiency gains in the performance of the company's core business (see explanatory report for first Legislative Decree issued on January 20, 2016).

Paragraph 4 considers failure to comply with the above limit to be a serious irregularity, as per Civil Code Article 2409 (under which a complaint must be filed with the court) and Article 15 of the same decree.

Paragraph 5 provides for the possibility to rectify the irregularity by waiving, within three months, some dealings with third parties, or direct engagements by the public entity or shareholder public entities. In the latter case, the activities previously assigned to the subsidiary must be re-assigned within six months through a public bidding process, and the company shall continue to provide the service while that process is underway.

Paragraph 6 stipulates that, in the event of a waiver of direct assignments, the company may continue its activity if and to the extent that the requirements of Article 4 of the decree are met; this article, insofar as relevant, permits public entities to acquire or maintain interests in companies to produce a service of general interest, including the construction and operation of networks and facilities necessary for such services. Furthermore, Article 16, paragraph 6 provides that, following the termination of direct contracts, any clauses of articles of incorporation and shareholders' agreements intended to satisfy the requirements for similar control shall cease to be effective.

Paragraph 7 (the last) requires compliance with the *Public Contracts Code* for the purchase of works, goods and services.

Law 118 of August 5, 2022, the 2021 *Annual Law on the Market and Competition*, introduced some amendments to Legislative Decree 175/2016 *et seq*. and specifically to Article 5, paragraphs 3 and 4, requiring the entity to submit the resolution establishing the company or acquiring a direct or indirect ownership interest to the Court of Auditors for the issuance, within 60 days, of a mandatory but non-binding opinion, with the obligation for the entity to provide justification if it should diverge from the opinion.

Consolidated Law on Local Public Services

Legislative Decree 201 of December 23, 2022 (*New rules for local public services of economic importance*) came into effect on December 31, 2022, in implementation of Article 8 of the annual law on markets and competition (Law 118 of August 5, 2022), which authorized the government to set new rules for economically important local public services including the form of a consolidated law. The consolidated law was amended with Legal Decree 13 of February 24, 2023, converted with amendments by Law 41 of April 21 2023, Law 190 of December 18, 2025 and Legal Decree 19 February 19, 2026.

Of particular note are the definitions contained in that decree at Article 2(c)(d), which defines local public services of economic importance as "*services provided or providable for economic consideration across a market, which would not be carried out without public intervention or would be carried out under different conditions in terms of physical and economic accessibility, continuity, non-discrimination, quality and safety, which are required by law or which local public entities, within the scope of their responsibilities, deem necessary to ensure the satisfaction of the needs of the local communities, so as to guarantee uniform development and social cohesion,"* and networked public services as *"local services of general economic interest that could be organized through structural networks or functional connections needed between the production sites or service performance, under the regulation of an independent authority"*.

Moreover, Legislative Decree 201/2022 Article 5, paragraph 1, promotes, in metropolitan cities the development and expansion of the integrated management of local public services of economic significance, extending this integration not only strictly to the operation of services but also to the construction and operation of the related networks and facilities, thereby allowing the capital municipality to be delegated by the other municipalities of the metropolitan city to exercise, on their behalf and in their interest, municipal functions relating to local public services of economic significance.

Under Article 5, paragraph 2, the Regions shall incentivize, involving the local entities concerned, the restructuring of the ambits or catchment areas of the networked services, including through voluntary combinations of entities, preferably on a regional scale, or in any case in a manner that achieves economies of scale and/or of scope that could maximize service efficiency.

Article 14 of Legislative Decree 201/2022 identifies the different forms of local public service from which the contracting entity can choose, including assignment to an in-house company, within the constraints of EU law and according to the procedures set forth in Article 17. For the purposes of choosing the form of service and defining the contractual relationship, the local entity and the other competent entities must take various elements into account, including the results of any previous provider of the same service.

Before beginning the assignment process, a report is written describing the outcomes of the assessment and the reasons for choosing the particular form of service; in the case of networked public services, the certified financial plan must be attached to the report.

Article 17 of Legislative Decree 201/2022, on the subject of contract assignments to in-house companies, requires that if the amount of such an assignment exceeds the EU limit, the local entities and the other competent entities must pass a resolution awarding the contract on the basis of a qualified rationale that expressly states the reasons for not resorting to the market. This reflects the principle of delegation pursuant to Article 8, paragraph 2(g) of Law 118/2022, which requires the local entity to justify its reasons for any assignments exceeding the threshold.

Regarding the duration of assignments, Article 19 of Legislative Decree 201/2022 states that they cannot exceed the amount of time needed to amortize the planned investments and that the assignment of non-networked local public services to in-house companies cannot have a duration exceeding five years, unless the assigning entity explains the reasons for a longer duration in the resolution approving the assignment.

As for periodic checks of the local public service, Article 30 of Legislative Decree 201/2022 requires municipalities or groupings with populations of more than 5,000 to conduct routine performance reviews of the local public services assigned within their territories, the results of which are presented in a report to be updated annually at the same time as the entity reviews its investee companies in accordance with Article 20 of Legislative Decree 175/2016. For in-house companies, the report constitutes an annex to the report referred to in the aforementioned Article 20.

As noted above, Legislative Decree 201/2022 repealed certain provisions that had been incorporated into that same decree but were no longer considered necessary, including Decree Law 138, Article 3-bis, paragraph 1-bis, the fourth, fifth, and sixth sentences of August 13, 2011, converted, with amendments, by Law 148 of September 14, 2011, and Decree Law 179, Article 34, paragraphs 20, 21, and 25 of October 18, 2012, converted, with amendments, by Law 221 of December 17, 2012.

Legislative Decree 201 of 2022 also replaced the third sentence of Decree Law 138, Article 3-bis, paragraph 1-bis of 2011, converted, with amendments, by Law 148 of 2011, with the following: *"The resolutions of the government entities referred to in paragraph 1 are validly adopted by the competent bodies of those entities without the need for further prior or subsequent resolutions by the bodies of the local entities."*

Status of assignments

In light of the foregoing, Veritas spa operates local public services of economic significance on a network basis, such as the integrated water service and waste management service, in the optimal territorial ambits, and other local public services within the area of its shareholder municipalities, in accordance with the in-house providing model, in compliance with the applicable regulations.

Veritas spa operates the **integrated water service** within the catchment area of the Venice Lagoon Basin Council, the former Venice Lagoon optimal ambit authority.

With General Meeting Resolution 20 of December 13, 2018, the Venice Lagoon Basin Council approved, *inter alia*, the Report prepared pursuant to Decree Law 179/2012, Article 34, paragraph 20, and confirmed the in-house awarding of the integrated water service for the entire Venice Lagoon optimal ambit, as per previous resolutions of the ambit General Meetings of October 30, 2013 (Ref. 779/XVI) and October 13, 2014 (Ref. 924/XV), consequently assigning it to Veritas spa, for a term of twenty years, from January 1, 2019, through December 31, 2038.

On December 20, 2018, the Venice Lagoon Basin Council and Veritas spa signed an agreement for the provision of the integrated water service in the Venice Lagoon optimal territorial ambit (file 44421, repertory 141026 of notary Francesco Candiani of Venice) with a duration until December 31, 2038, extendable by discretion of the Basin Council for a period of six months under the same conditions, without prejudice to any different terms that may be permitted or imposed by law.

The Venice Lagoon Basin Council approved the report prepared pursuant to Legislative Decree 201/2022, Article 30 for the periodic review of the management of the Venice Lagoon Basin Council's integrated water service, with Institutional Committee Resolution 29 of November 6, 2024, referring to the year 2023, and with Resolution 20 of November 6, 2025, referring to 2024.

With respect to the **integrated municipal waste management** service, Veritas spa manages the public municipal waste service in the Venice Environment optimal territorial ambit, established pursuant to Veneto Regional Law 52 of December 31, 2012, succeeding the Venice Environment optimal territorial ambit Authority, established pursuant to Veneto Regional Law 3, Article 14 of January 21, 2000, then in force.

Resolution 3 of the Venice Environment Basin General Meeting of May 25, 2016 approved the definitive alignment of the expiration dates of the integrated waste management assignments in the municipalities served to the single expiration date of June 2038, as already resolved by a broad majority of the municipalities (36 out of 45) and soon to be resolved by the other eight municipalities whose assignments were expiring in 2016 or would have expired before 2038, and by the municipality of Mira, which with Resolution 115 of December 23, 2013 had set an expiration date of December 31, 2038 for its service pursuant to Decree Law 179/2012, Article 34 *et seq*., through the execution of a new service contract, unless otherwise determined by the optimal territorial ambit Authority and subject to any different expiration date established by subsequent legislation.

With Resolution 4 of the Venice Environment Basin General Meeting of May 25, 2016, the additional technical extension until December 31, 2016 was approved for the service assigned to Veritas in the three municipalities of San Donà di Piave, Quarto d'Altino, and Meolo, expiring on June 30, 2016. There remained, then, the goal of realigning the deadlines for the other four municipalities that had not yet adopted resolutions pursuant to Decree Law 179/2012, Article 34, including the Municipality of Venice, for which the service contract expired in 2019.

With Resolution 15 of the Venice Environment Basin General Meeting of December 21, 2016, a further technical extension until March 31, 2017 was authorized for the service already provided by Veritas spa in the municipality of Quarto d'Altino, in order to ensure, without interruption, the protection of the residents' health and of the environment in the areas involved.

Resolution 14 of the Venice Environment Basin General Meeting of December 21, 2016, which had similar contents, extended the service provided by Veritas spa in the municipality of Meolo until March 31, 2017.

With General Meeting Resolutions 18, 19, and 20 of October 27, 2017, the Venice Environment Basin Council awarded Veritas spa a direct contract for urban waste services in the municipalities of San Donà di Piave, Meolo, and Quarto d'Altino, for a period of fifteen years from January 1, 2018, to December 31, 2032, under the in-house providing model, while Resolution 24, also dated October 27, 2017, postponed to June 30, 2018 the deadline by which the Basin Committee was required to submit to the Basin General Meeting the proposed resolution for the in-house assignment to Veritas spa of the municipal waste management service in the municipality of Cona, with a duration of 15 years, while at the same time extending the effectiveness for an addition 6 months to June 30, 2018 of Mayoral Ordinance 8/2017, protocol 3210 of May 31, 2017, which ordered Veritas spa to supply, until December 31, 2017, municipal waste collection and transportation, street sweeping in the city center, and related services in that municipality.

The Venice Environment Basin Council, with General Meeting Resolution 7 of July 26, 2018, approved the report drawn up pursuant to Legislative Decree 179/2012, Article 34 and the alignment of the expiration of the in-house contract awarded to Veritas spa for municipal waste services in the municipality of Cona to 2038.

With Committee Resolution 22 of December 13, 2018, the Venice Environment Basin Council also resolved to assign to the director, in accordance with the guidelines set forth in Resolution 3/2016 of the Basin General Meeting, the task of drafting a Technical Report pursuant to Legislative Decree 50/2016, Article 192, second paragraph, for the municipalities of Venice, Fossalta di Piave, and Scorzè, in light of the decision to align the expiration dates of the in-house waste management services in such municipalities, as well as to prepare, in the event of a positive outcome of the technical assessments, a Basin General Meeting resolution proposal to align the expiration date by awarding an in-house contract to Veritas spa for waste management services in the three municipalities concerned, based on a specific report pursuant to Decree Law 179/2012, Article 34, paragraph 20, and to verify the compliance with the requirements set forth in European law regarding the awarding of in-house contracts to Veritas.

Furthermore, in February 2019, the Venice Environment Basin Council initiated procedures to align the expiration date of the in-house contract to June 2038 for street sweeping services and the collection, transportation, and start of recovery and disposal of municipal and similar waste in the municipality of Venice.

Afterward, with General Meeting Resolution 12 of November 15, 2019, the Venice Environment Basin Council approved the Report pursuant to Article 34 of Decree Law 179/2012 which defines and explains the choice of the in-house providing model for the assignment to Veritas spa of the municipal waste service in the municipality of Venice, aligned the expiration date of Veritas spa's in-house waste management contract in the municipality of Venice to 2038 along with the relative service contract outline, and postponed to a subsequent measure the alignment of the expiration date for the two municipalities of Scorzè and Fossalta di Piave.

The Venice Environment Basin Council, with Institutional Committee Resolution 7 of February 13, 2020, approved the new service contract model replacing the model approved by Basin General Meeting Resolution 12 of November 15, 2019, to be signed by the Basin Council, the Municipality of Venice, and the operator Veritas.

With General Meeting Resolution 10 of November 30, 2021, the Venice Environment Basin Council approved the service contract models for municipalities using the Tarip and Tari systems. However, with Arera Resolution 385/2023/R/rif of August 3, 2023, a single *Service contract model regulating transactions between the awarding entities and the municipal waste service operators* was approved for which a single contractual text was prepared to be signed by the Basin Council and Veritas spa operator regarding the general part, accompanied by a technical specifications allowing to regulate special aspects for each municipality, approved with Venice Environment Basin Council Resolution 11/2024.

With Committee Resolution 16 of November 14, 2022, the Venice Environment Basin Council also decided to assign to the director, in accordance with the guidelines set forth in Resolution 3/2016 of the Basin General Meeting, the task of drafting a Technical Report pursuant to Legislative Decree 50/2016, Article 192, second paragraph, for the municipalities of Fossalta di Piave, and Scorzè, in light of the decision to align the expiration dates of the in-house waste management services in such municipalities, as well as to prepare, in the event of a positive outcome of the technical assessments, a Basin General Meeting resolution proposal to align the expiration date by awarding an in-house contract to Veritas spa for waste management services in the municipalities concerned, based on a specific report pursuant to Decree Law 179/2012, Article 34, paragraph 20, and to verify the compliance with European law regarding the awarding of in-house contracts to Veritas. The Venice Environment Basin Council, with General Meeting Resolution 8 of June 13, 2023, approved the reports drawn up pursuant to Legislative Decree 201/2022, Articles 14 and 17, which consistently with decision 3 of May 25, 2016 *et seq.* define and explain the in-house providing model for assigning to Veritas spa the municipal waste service in the municipalities of Fossalta di Piave and Scorzè, and approved the alignment of the relevant deadlines to June 26, 2038. The Venice Environment Basin Council, with General Meeting Resolution 11 of July 26, 2024, approved the reports drawn up pursuant to Legislative Decree 201/2022, Articles 14 and 17, which consistently with decision 3 of May 25, 2016 *et seq.* approve the continuation of the in-house providing model assigning to Veritas spa the municipal waste service for all 45 municipalities of the Venice basin, confirm the single deadline of June 26, 2038 decided upon, and align the assignment to the same date for the municipalities of Cavarzere, Meolo, Quarto D'Altino and San Donà di Piave.

As noted, with Resolution 11/2024, the Venice Environment Basin Council also approved the service contract for the regulation of the municipal waste management service in the Venice basin, prepared in accordance with Arera Resolution 385/2023/R/ref.

On August 12, 2024, the Venice Environment Basin Council and Veritas spa signed the contract for the regulation of the municipal waste management service in the Venice Environment Basin.

The Venice Environment Basin Council approved the report pursuant to Legislative Decree 201/2022, Article 30 for the periodic review of the municipal waste management service, with Resolution 13 of October 29, 2024 referring to 2023, and with Resolution 16 of October 31, 2025 referring to 2024.

In part to address the fragmentation in municipal waste management carried out under Legislative Decree 152/2006, Article 200, a process to merge Veritas spa with Asvo spa has been underway for some time. Asvo spa provides local public waste management services, and its shareholders were the municipalities of Portogruaro, Fossalta di Portogruaro, Gruaro, San Michele al Tagliamento, Concordia Sagittaria, Annone Veneto, San Stino di Livenza, Caorle, Pramaggiore, Cinto Caomaggiore and Teglio Veneto, which are also shareholders of Veritas spa. In this context, since November 14, 2023 Asvo spa has leased to Veritas spa its business unit dealing with the integrated municipal waste service, and on November 25, 2025 Veritas spa became the sole shareholder of Asvo spa.

Furthermore, with Municipal Council Resolution 78 of December 18, 2019, the Municipality of Venice approved the in-house assignment to Veritas spa of the contract for the operation of the stormwater pumping stations on the mainland and the Lido and the mobile barriers in Malamocco, commencing December 1, 2019, with the same duration as the integrated water service contract approved by the Venice Lagoon Basin Council.

With Municipal Council Resolution 80 of December 18, 2019, the Municipality of Venice resolved to award to Veritas spa a contract for the operation and maintenance of Venice’s fire protection water network, from December 1, 2019 to December 31, 2038, consistently with the integrated water service contract awarded by the Venice Lagoon Basin Council.

With Municipal Council Resolution 81 of December 18, 2019, the Municipality of Venice approved awarding to Veritas spa, commencing January 1, 2020 for a period of 10 years, the in-house service of inspecting and assessing residential heating systems located in the Municipality of Venice for which the municipal administration has received a complaint or report.

As concerns waste treatment, in the Fusina area, the subsidiary Eco+Eco srl manages the integrated waste treatment and the residual municipal waste recycling center for the Venice Environment basin, which includes the municipalities that use the Veritas Group for municipal waste collection, transport, and treatment. This is also a logistics station for transferring, sorting and shredding many of the separately collected fractions of waste.

Eco+Eco srl selects and treats materials deriving from sorted waste collection (glass, paper, plastic, metals, etc.) to recycle them, and collects, handles and transports the materials to be selected. It treats the materials assigned by the Group and those collected separately by other operators in the area for subsequent delivery and treatment, mainly within supply chain consortia.

The contract for cemetery services in the municipality of Venice was renewed in 2015 for a period of 20 years, until September 30, 2035.

Veritas also has a contract for the operation of cemetery services in the municipality of Dolo until June 30, 2027, and in the municipality of Spinea under a technical extension until October 31, 2026, pending the definition of the new contract.

In June 2020, under a contract valid through 2046, Veritas began to manage the crematorium of the Conegliano cemetery built by the associate Veritas Conegliano. Its contract for the management of the Spinea cemetery crematorium expires in 2038.

The concession for the management of public restrooms, again in the Municipality of Venice, is extended year by year and currently expires on December 31, 2026.

As for the operation of the fish market in the municipality of Venice, the new regulations of the granting body are pending, due in part to modified legislation in the sector and the local conditions in which it is performed. In any case, financially speaking, this is a marginal activity.

Veritas operates the public lighting and heat management service for the municipality of Chioggia, under a contract valid through 2030.

It also handles public lighting for the municipalities of Fossalta di Portogruaro (through 2029) and Fiesso d'Artico (through 2027), and heat management for Fossalta di Portogruaro under a contract expiring on March 31, 2027.

Asvo spa has been the in-house provider of cemetery services for the municipalities of Portogruaro since 2018 and for the municipalities of San Michele al Tagliamento, Fossalta di Portogruaro and Gruaro since 2019. Since 2020, it has maintained the public green areas of the municipalities of San Michele al Tagliamento and Fossalta di Portogruaro.

The Depuracque group, a subsidiary since July 2018, operates in the management, transport, and disposal of hazardous and non-hazardous waste, environmental remediation, effluent and waste water treatment, chemical analysis, and environmental consulting through interaction with Veritas spa and various group companies.

Macroeconomic risk

Macroeconomic context

The macroeconomic environment in which the Veritas Group operated during 2025 continued to be characterized by a high degree of uncertainty, attributable primarily to geopolitical factors, changes in monetary policy, and tensions in international trade relations.

On a global scale, the protraction of the conflicts in Europe, the Mediterranean region and the Middle East, combined with the aggravation of trade strains among the world's major economies, have contributed to a climate of cautious investment decisions and highly volatile commodities and energy markets. Nevertheless, during 2025, these events did not produce systemic shocks comparable to those of previous years.

The outlook for international growth and trade has continued to be affected by significant uncertainty regarding trade policies, particularly with regard to the possibility that major economic regions might introduce or raise tariffs. This scenario continued to affect the expectations of businesses, leading to a cautious approach toward exports and investment plans but not a general economic deterioration in 2025; however, industries that are cyclical and have greater international exposure (particularly the manufacturing and automotive sectors) remain more vulnerable, as do sectors more dependent on incentives, such as residential construction.

Globally, the disinflation process continued in 2025, whereas the first few months of 2026 had greater volatility, attributable largely to the reemergence of supply-side tensions (especially in the energy sector) and persistent geopolitical and trade uncertainties.

In the euro area, after a period in which inflation returned nearly target levels, prices showed signs of picking up again in the first quarter of 2026, especially in the energy and services components; in this context, the European Central Bank ("ECB") has maintained a prudent, data-driven approach, calibrating a process of interest rate normalization that accounts for inflation trends, the transmission of financial conditions, and downside risks to growth.

As expected by analysts, both the ECB and the U.S. Federal Reserve ("Fed") kept interest rates unchanged during their meetings this quarter, adopting a wait-and-see monetary policy and data-dependent approach based on the analysis of macroeconomic data related to inflation and the performance of economic growth and the labor market.

This policy has been shaken by escalating tensions in the Middle East and the enduring blockade of the Strait of Hormuz, which have fueled macro-financial pressures, at times partially mitigated by expectations surrounding announcements of a ceasefire. The market is gradually incorporating the risk of stagflation, with high energy prices, weaker growth, and more persistent inflation, increasing the likelihood that central banks will need to maintain a more restrictive approach and consider further rate hikes. As a result, the market currently expects the ECB to adopt a tighter stance, with a good chance of a rate increase (25 bps) as early as the first half of the year if the tensions persisting in the energy sector should cause inflation to become more structural.

For Italy, the final 2025 data show GDP growth up by 0.5% compared with 2024. The outlook remains one of moderate expansion, with domestic demand generally resilient (supported by the labor market) and weaker foreign demand in an uncertain international environment. Investments were affected by the slowdown in residential construction following changes in incentives, while public works and infrastructure projects related to the National Recovery and Resilience Plan (NRRP) showed greater resilience. The Bank of Italy's projections (December 2025) confirm modest growth for 2025–2026 (approximately +0.6% annually).

The Italian Consumer Price Index for the whole nation (NIC) averaged 1.5% in 2025 (up from 1.0% in 2024). Although the overall environment is more stable, risks remain related to potential shocks in the energy and commodities markets and labor costs.

In 2025, the advanced services sector (specifically digital services and IT infrastructure) continued to perform well, while the manufacturing sector remained affected by weakness in some foreign markets; tourism has stayed on a positive trend. The automotive industry is among the sectors most affected, with a decline in domestic production (approximately 238 thousand cars in 2025, down by 19.8% from 2024) amid a transition toward electrification and uncertainty regarding trade policies. The construction industry reported a slowdown particularly in residential construction, offset in part by the performance of public works; according to the Italian Association of Building Contractors (ANCE), construction investment fell by about 1.1% in real terms in 2025.

In this landscape, the regulated water and waste management infrastructure sectors have demonstrated a high degree of resilience, thanks to the essential nature of the services provided and the stability of the revenue streams, mitigating significantly the Group's exposure to adverse economic cycles.

Interest rates

The progressive decline of official interest rates throughout 2025 helped contain the average cost of borrowing.

In 2025, the ECB's benchmark rate was gradually lowered, falling from 2.75% in January to 2.00% in June 2025, a level that remained unchanged even at the end of the year.

However, a risk remains associated with possible slowdowns in the process of monetary easing, if the current geopolitical tensions and new inflationary pressures should persist.

Looking more closely at the indexing parameters of the most commonly used variable-rate loans, Euribor rates (used as benchmarks) had a generally favorable trend throughout 2025. The 3-month Euribor fell gradually during 2025, from more than 2.7% at the beginning of the year to nearly 2.0% at the end of the year; similarly, the 6-month Euribor had a downward trend, closing the year at nearly 2.1%.

This trend had a positive impact on the borrowing costs of variable-rate debt. However, areas of concern remain regarding possible fluctuations in financial markets influenced by macroeconomic and geopolitical factors, making it necessary to monitor interest rates constantly, also with a view to the future.

This risk is mitigated within the organization by a primarily medium/long-term debt structure and by the use of hedging instruments, in keeping with a prudent, non-speculative financial policy.

With regard to fixed-rate loans, the Euro Interest Rate Swap ("Eurirs") index, used as a benchmark for medium/long-term transactions, was stable throughout 2025, although it remained at higher levels than in the prior period due to tighter monetary policy.

The 10-year IRS averaged approximately 2.9% during the year, while the 15-year IRS averaged around 3.1%, with limited fluctuations. This performance made the financial terms applied to fixed-rate loans more predictable, even in an environment that remains sensitive to the market expectations of inflation and economic growth.

In the initial months of 2026, the Euribor and IRS rates remained largely stable, with only slight fluctuations. The stability is attributable primarily to the prudence of central banks and persistent geopolitical and inflationary uncertainties.

Lastly, since January 1, 2025, the statutory interest rate has been 2.0% per annum, down from the 2.5% applied in the previous year, and it will remain unchanged for the entire year. This reduction has implications for various legal and tax institutions, affecting, among other things, the cost of voluntary disclosure, payment extensions, and financial dealings with public entities.

Measurement of expected credit losses

The credit risk profile remains consistent with the characteristics of the services managed.

In the integrated water service, as well as in the waste collection service provided by the operator on a fee-for-service basis with direct billing to customers, default rates remain historically low and below the national average for the respective sectors, thanks in part to the fragmentation of the customer base and the debt collection systems used. The same applies to the waste management segment, which uses tax-based pricing systems, although in this case the risk of insolvency is shifted to the tax authorities.

The calculation of losses, conducted through a matrix system based on track records of default for each receivable category, resulted in an update of the historical default rates used to estimate expected losses, including for 2025. Consequently, the provision for doubtful debts was adjusted to reflect an improvement attributable to a slight decline in the insolvency indexes (24-month unpaid ratio).

Going concern assumption

Given the above, including in terms of medium/long-term planning, there are no issues regarding the Group's ability to operate as a going concern.

The Group has conducted simulations to assess potential future impacts on its business plans, which confirm the going concern assumption.

Financial management policies and objectives

The Group's financial management is geared toward helping the organization procure and manage the funds necessary to invest in public infrastructures and in the industrial activities it carries out for its community.

It takes a medium/long-term perspective, seeking an appropriate balance between the sources and uses of funding, and in the short term it makes sure there is enough liquidity to meet the cash commitments.

To achieve these objectives, financial instruments are used on both the passive and active sides of liquidity investment.

The Group's policy is not to subscribe to speculative derivative instruments but only to fixed contracts for purely hedging purposes, in order to avoid interest rate risk (through swaps) or to limit it (through caps), or to limit the changes in a defined fluctuation range (through collars).

The Group's effective average net financial position (monetary component only) in 2025 was net indebtedness of approximately € 345.3 million (€ 319.5 million in 2024), and it generated actual gross finance costs to service that debt of € 21.9 million (€ 23.5 million in 2024), for a weighted average cost of capital of 6.34% (7.35% in 2024).

The situation shows an increase in net financial exposure arising from a number of factors, primarily higher net capital expenditure, leading to lower liquidity on account of larger cash outflows for operating activities.

In a global environment marked by macroeconomic and geopolitical uncertainties and inflation that has not yet entirely stabilized, the Group nevertheless fully maintained its commitments to investing in the local area and repaying its debt in 2025.

During the year, an important inflow of funds was expected from the sale of assets as part of a property sale and leaseback transaction, carried out through the subsidiary Ecodistretto RE; the property transaction did not go through because difficulties arose, and were not resolved, in reaching an acceptable agreement with the investors.

To enable the Group to secure the planned financing needed to support its long-term investment plans and obtain adequate levels of liquidity, various alternative financing opportunities were taken, including the use of medium-term loans in accordance with the guidelines set forth in the business plans of the Group's companies, even replacing the funding expected from the real estate transaction.

During the year, the following unsecured loans were taken out:

	beneficiary	issuance	original amount	maturity
Banco Bpm	Veritas spa	Jan. 15, 2025	19,000,000	Dec. 31, 2031
Banca Popolare di Sondrio	Veritas spa	Feb. 7, 2025	15,000,000	March 3, 2035
Credem	Veritas spa	June 19, 2025	10,000,000	March 31, 2033
Bper	Veritas spa	June 30, 2025	20,000,000	June 30, 2035
Cassa Centrale Banca	Veritas spa	July 31, 2025	10,000,000	June 30, 2033
Cherry Bank	Eco+Eco srl	Sept. 10, 2025	5,000,000	Sept. 30, 2031

In part to support the investments of its subsidiary Eco+Eco srl, on December 11, 2025 Veritas subscribed to the capital increase launched by the company totaling € 20 million (€ 15.23 million in share capital and € 4.77 million share premium) by offsetting trade receivables, generating a corresponding decrease in its working capital.

During 2025, Veritas also acquired the remaining Asvo shares held by the municipalities for € 13.7 million, thereby becoming the sole shareholder as part of a process that will conclude with the subsidiary being absorbed by Veritas in 2026.

The Group's credit risk profile is normal and consistent with the industry dynamics, as billing receivables are naturally fragmented, with modest average amounts collectable from a high number of users.

The default rate for waste management receivables (Tarip) has historically been around 5.8%, a low-to-medium rate for the sector, and it improved slightly in the year.

After the transition to Tari, credit risk in its past and present (and therefore future) dimension is substantially borne by the municipalities, either directly or indirectly, and must be taken into account in the final formulation of the rate.

In the water sector, where default rates are historically lower, the default rates were approximately 1.14% of turnover, even in this case an improvement over the previous year's levels and below the national industry average.

Borrowing risk

In 2025 the Group implemented an operational and financial management strategy that required a large commitment in terms of industrial investments, resulting in a further increase in net financial debt, but without significantly increasing the financial debt risk.

The EBITDA is higher as a result of the increase in revenues, which outweighed the increase in operating expenses, particularly in the personnel and other operating costs; it rose from € 104,850 thousand in 2024 to € 106,343 thousand in 2025.

The management of working capital (€ +46.5 million) positively impacted the net debt and liquidity levels.

The investing activity (€ 129.0 million) used cash flows of € 129.5 million for fixed assets (€ 112.5 million in 2024) and € 0.1 million for equity investments (€ 3.2 million in 2024), whereas it generated cash flows of € 0.6 million from fixed assets (€ 3.0 million in 2024).

The cash outflows for fixed assets reflect € -145.5 million for operating investments, € +15.1 million in equipment grants received, and € +0.9 million from disposals.

Debt refinancing in 2025 entailed taking out € 119 million in new long-term loans, against € 63.1 million in repayments.

The year-end net financial indebtedness increased from € 361,816 thousand in 2024 to € 403,559 thousand in 2025, including the effect of non-cash items (IFRS 16 on leases, accrued liabilities, etc.). The debt-to-EBITDA ratio remained sustainable, rising from 3.45 to 3.79.

The Group's indebtedness is always influenced by the size of the parent company's "water assets," whose carrying amount (net of the public grants that partially finance the works) is very high.

Most of these assets, particularly the water and sewage pipelines, have very long useful lives (conservatively estimated at 40 years according to Arera policies) and consequently low depreciation rates.

Since rate recovery, which remunerates this type of investment on the basis of depreciation and finance costs, takes place over a very long period of time, there is a continuous need for principal to be refinanced in the meantime, especially given the unequal duration of bank facilities and lending approaches that favor the short to medium term.

The debt in the form of bank loans (i.e. excluding bonds) has a repayment schedule broken down as follows (actual maturity):

long-term loans	2026	2027	2028	2029	2030	afterward
320,316	47,290	48,291	44,119	41,818	37,323	101,476

The parent company issued three bonds with the following characteristics:

	original amount	repayment	maturity
former Asi bond (public offering)	15,000	amortizing	2034
Veritas bond (public offering)	100,000	bullet	2027
Veritas bond (private placement)	25,000	amortizing	2038

Liquidity risk and funding risk

Liquidity risk is the risk that the financial resources available may be insufficient for meeting the short-term repayment obligations. Specifically, the risk relates to the coverage of the obligations falling due, which total approximately € 48.5 million in amortizing bank loans and bonds maturing by December 31, 2026. Liquidity risk also involves the ability to deal with any adverse changes in working capital, which may give rise to additional unexpected funding needs.

Currently, the risk that the Group may not have the necessary financial resources to meet its short-term obligations is considered low. This assessment is the result of prudent management and the presence of appropriate control and monitoring tools.

The cash management is assisted by careful financial planning, the predictability of regulated cash flows, and the ability to access bank and bond financing. The costs associated with infrastructure investments are covered gradually through rate mechanisms and public subsidies, albeit with natural time lags.

The notion remains that operational investment plans, which are ongoing in both the water and waste management sectors, are matched by rates (though not always in full) due to the regulatory mechanism of rate adjustments established with the Arera method, which generate high receivables to be recognized in the financial statements.

Although they are regulated, both of the operating segments (integrated water and waste management services), while positioning the organization as a concession operator without competition, expose future cash flows to the regulatory framework, which appears increasingly detailed and restrictive as to the timely recognition of the actual operating costs; however, since 2024 better rate increases have been obtained in addition to those implemented in 2022 and 2023, whose effects will stabilize over time and will be consistent with the investment profiles required to maintain them.

In 2025, Italy's GDP grew by 0.5%, driven by domestic demand, investment (particularly in construction and National Recovery and Resilience Plan projects), and employment, which bolstered consumer spending despite moderate growth in real incomes and a gradual inflation decline.

The Italian National Institute of Statistics (ISTAT) certified that in the first quarter of 2026, Italian GDP grew by 0.2% from the previous quarter and by 0.7% year-over-year, driven by the services sector, against a decline in industry and agriculture and a positive contribution from net foreign demand amid weak domestic demand.

In 2026, the forecasts for Italy are for GDP growth of between 0.5% (Bank of Italy) and 0.8% (ISTAT), supported mainly by domestic demand and investments under the National Recovery and Resilience Plan; in both cases, geopolitical tensions and rising energy prices are clearly having a negative impact.

Within the broader macroeconomic scenario, the Italian economy in 2026 shows signs of moderate but fragile growth, characterized by positive momentum arriving from the services sector and foreign demand, against a backdrop of continuously weak domestic demand and persistent uncertainty linked to geopolitical and energy issues, as highlighted by ISTAT data for the first quarter of the year.

In 2025, the labor market continued to be positive overall: the average annual unemployment rate fell to 6.1% from that of 2024, accompanied by an increase in the employment rate to 62.5%, confirming labor market resilience and employment policy effectiveness.

Over the year, consumer spending had moderate growth, estimated at approximately 0.8–0.9% annually, supported by an increase in employment and wages and a gradual decline in inflation, in an environment characterized by a high household savings rate and macroeconomic uncertainty.

The National Recovery and Resilience Plan still serves as a structural driver of economic growth, making a significant contribution to GDP even during its final phase of implementation in 2026, with effects that are expected to extend beyond the Plan's time horizon thanks to the carryover effects of investments and structural reforms.

In December 2025, inflation, as measured by the Italian Consumer Price Index (NIC), stood at 1.2% year-over-year, and it is expected to rise to a range of between 1.3% and 2.4% in 2026 due mainly to price increases in the energy sector and a gradual recovery in domestic demand, although significant uncertainties remain.

In 2026, interest rates in Italy and in the euro area are expected to remain largely stable, in line with the prudent stance of the European Central Bank, which in March 2026 confirmed that its key interest rates would remain unchanged, keeping the deposit rate at 2.00%, the rate on main refinancing operations at 2.15%, and the marginal lending rate at 2.40%.

In this context, the financial risk remains affected by developments in the international macroeconomic and geopolitical landscape and the resulting monetary policy decisions. Despite the improvement in monetary conditions, uncertainties persist regarding interest rates and borrowing costs, which require the continued adoption of a prudent approach to managing the financial structure and liquidity.

As a multi-utility company operating in regulated sectors, the company benefits from stable and predictable cash flows, which help mitigate its exposure to major financial risks. Interest rate risk and liquidity risk are managed in accordance with prudent principles, through a financial structure that is as balanced as possible and ever more careful planning of funding needs. The financial management is focused on maintaining the company's sustainability and business continuity.

VAT dispute - waste management tax (Tia)

Ruling 5078/2016 of the joint sections of the Court of Civil Cassation, filed on March 15, 2016, provided the definitive interpretation as to whether VAT applies to the waste management rate ("Tia1") established by Article 49 of Legislative Decree 22/1997.

The ruling, considering the absence of a bilateral relationship between the service and the payment received by the service provider, defines Tia1 as a tax levy and consequently outside the scope of VAT.

The case in question is long-standing and complex.

Legislative Decree 22/1997 (the Ronchi Decree) replaced the old municipal waste collection tax (Tarsu) with the "tariffa igiene ambientale" (Tia or Tia1). According to an initial interpretation, backed up by circulars from the Italian revenue agency, this charge was equated with consideration for a service provided, and was therefore subject to VAT.

However, as a result of Constitutional Court ruling 238/2009 declaring Tia to be a tax, case law established that VAT was not applicable.

In the meantime, Legislative Decree 152/2006 introduced the "tariffa integrata ambientale" ("Tia2") which, in lawmakers' intentions, was to replace Tia1.

Moreover, Decree Law 78/2010, Article 14, paragraph 33 had established that Tia2 was not a tax.

Lastly, Circular 3/2010 of the Ministry of Finance, by equating Tia2 with Tia1, reasserted that VAT should be charged on both rates.

Despite this clear position by the tax authorities, the case law consensus on both the merits and the rule of law refuted the premise of Ministerial Circular 3/2010 which equated Tia1 with Tia2, with the result that Tia1, at least at the case law level, continued to be considered a tax.

Veritas, like all other waste management companies associated with Federambiente-Utilitalia, continued with the stance it adopted in 2009 when the Constitutional Court issued its ruling, and had suspended VAT refunds to users pending an explicit legislative change to that effect, especially considering that the VAT in question was not in Veritas' hands since as a neutral tax it had always been paid to the revenue agency.

Moreover, in 2012, the Italian Revenue Agency replied to a formal inquiry by Veritas confirming that Tia was indeed subject to VAT, reaffirming the interpretation of the Finance Ministry's controversial Circular 3/2010.

There was now an institutional conflict: while the tax authorities affirmed that charging VAT was correct, case law argued the exact opposite.

With the clarity of the 2016 joint-section ruling of the Court of Cassation, it can no longer be denied that Tia1 is outside the scope of VAT.

The estimated amount of VAT charged by Veritas on Tia1 amounts to approximately € 84 million over the years, divided almost equally between domestic and non-domestic users.

At any rate, the risk to Veritas is limited, given that:

- VAT is a neutral tax for commercial businesses like Veritas;
- it is inconceivable to expect Veritas to refund the VAT charged to users on Tia1 if the government does not first determine how it is to be returned (multiple years, millions of invoices, hundreds of thousands of users, strong demographic dynamics, etc.);
- at the financial level, Veritas has paid these sums to the Italian revenue agency and does not have the money in hand;
- the neutral nature of VAT means that business users have deducted the charges from their own VAT payments, which by analogy could be interpreted as undue;
- because of VAT neutrality, there is no rule as to whether the organization should take into account the effect of non-deductibile VAT on purchases by the waste management department, as this cost was supposed to be an additional component to be charged back to the user precisely through Tia1;
- if Tia1 is a tax, then Veritas should have invoiced the municipalities rather than the users, and the municipalities, not being able to deduct the VAT, should have added the non-deductible VAT to the Tia1 tax to be charged in turn to the users; the end user would, therefore, still have been required to pay the VAT (either as part of the tax or shown separately on the invoice);
- Tia1 was in effect until 2012 (when it was replaced by Tares and then by Tari), so the 10-year statute of limitations has now expired on the possibility to file for VAT refunds, except for users that had acted before it was time-barred.

It should also be noted that for both settled and pending lawsuits demanding that Veritas refund VAT to users, the Italian Revenue Agency would no longer have any grounds to deny the reimbursement to Veritas of the VAT refunds it has already granted; therefore, the only risk (already provided for in the financial statements) is having to cover the opponent's legal expenses.

In fact, with respect to the lawsuits filed against the Revenue Agency over its refusal to grant the refund requests submitted by Veritas for the recovery of VAT on Tia1, which was in turn refunded to users following litigation, the Revenue Agency has so far consistently lost the court appeals filed by Veritas (ruling 348/2022 of the Veneto Regional Tax Commission; rulings 260/2025, 640/2025, 641/2025, 680/2025, 814/2025, 820/2025, 114/2026, 117/2026, 118/2026, 134/2026, 193/2026, and 196/2026 of the Venice First-Instance Tax Court).

In ruling 260 of March 20, 2025, the Court of First Instance pointed out to the Revenue Agency that its position was untenable, including with regard to the Agency’s potential tax liabilities.

Having Tia1 declared to be a tax with *ex ante* effect made it possible, in 2016, to recover as income the provision against the default risk accumulated in previous years, as it shifted the risk of default to the taxing municipality (the Venice Basin Council also expressed this view in Note 585 of November 11, 2016).

As things stand, however, although years have passed since the Court of Cassation ruling of March 2016, the institutional entities (central government, Ministry of the Economy, or Revenue Agency) have taken no specific, official position on the question of VAT on Tia1 except for a few (now dated) answers to Parliamentary questions.

Furthermore, the European Commission replied to a specific query by Veritas in August 2021 that the pure and simple refund of unduly levied VAT results in unjust enrichment of the user and, in parallel, in an undue loss for the State treasury.

Concerning the subsequent forms of the waste management rate, i.e. Tia2 under Legislative Decree 152/2006, the charge pursuant to Article 14 paragraphs 29-32 of Decree-Law 201/2011 ("Tares fee"), and the rate per Article 1 paragraph 668 of Law 147/2013 ("punctual Tari" or "Tarip"), in June 2016 the company submitted a further query to the Revenue Agency asking whether it was still correct to charge VAT on these rates, given the reasons underlying the Court of Cassation's ruling that Tia1 is a tax.

The Revenue Agency replied in September 2016, confirming that VAT does apply to these rate forms.

Concerning Tia2, pursuant to Legislative Decree 152/2006, the joint sections of the Court of Cassation, in Rulings 8631/2020 and 8632/2020 of May 7, 2020, affirmed that this is a private business fee subject to VAT, highlighting, among other things, its differences from Tia1 (thus contradicting much of the previous case law opinion that had equated the two charges from a tax point of view).

Lastly, Ruling 11290/2021 of April 29, 2021, again by the joint sections of the Court of Cassation, affirmed that the "punctual Tari" is also a private business charge subject to VAT.

Transactions with related parties

Related party transactions are described in detail in Note 45 to the consolidated financial statements.

2.1.3 Significant events during the year

The significant events with the potential to influence business performance are reported hereunder.

Water service regulation and rates

In 2024, the regulatory period (2024-2029) regulated by the Mti-4 method (Resolution 639/2023/R/idr of December 28, 2023) came into effect.

With Resolution 10 of December 17, 2024, the Venice Lagoon Basin Council approved the regulatory framework for such period, determining the rates applicable for 2024-2025 and the estimated rates for 2026-2029, subject to updating every two years.

This framework was approved, with amendments, with Arera Resolution 14/2025/R/idr of January 21, 2025. The modifications Arera made to the Basin Council's resolution were limited to the individual components of the guaranteed revenue constraint ("Vrg"), while the total Vrg and theta indexes were confirmed with the Basin Council's resolution.

The approval included a 9.9% increase for the 2025 rate compared to the prior year.

With Resolution 225/2025/R/idr of May 27, 2025, Arera defined the technical quality regulation incentive mechanism (RQTI) for 2022-2023, which envisions rewards and penalties for the achievement or non-achievement of technical quality objectives based on six specific measures. The resolution established rewards of € 0.3 million and penalties of € 0.4 million for Veritas; the penalties had already been fully accounted for in previous financial statement provisions. Pursuant to the resolution, Veritas also updated to € 0.2 million the allocations to prudent risk provisions for 2024–2025, with respect to objectives that it is already reasonably certain to not have met.

With Resolution 277/2025/R/idr of June 24, 2025, Arera defined the technical quality regulation incentive mechanism (RQTI) for 2022-2023, which also envisions rewards and penalties for the achievement or non-achievement of contractual quality objectives. The resolution established rewards of € 0.2 million and penalties of € 0.7 million for Veritas; the penalties will be deducted from future guaranteed revenue constraints ("Vrg"). Following this resolution, the company prudently allocated risk provisions for the same amount, pending Arera's determination of the penalties for 2024–2025.

Waste management service rates

Arera Resolution 363/R/rif of August 3, 2021 approved the new waste rate method (Mtr-2) for the 2022-2025 regulatory period, which replaced the previous Mtr waste rate method in effect for 2020-2021.

The 2022-2025 financial plans with the new method were approved with Venice Environment Basin Council Resolution 7 of April 14, 2022. Subsequently, the 2024 and 2025 financial plans were updated, and approved by the Basin Council with Resolution 4 of April 9, 2024. Therefore, in 2025 the rates and fees of the service were based on Resolution 4, which provided for an average rate increase of 3.16% from 2024.

The Mtr-2 method allowed including in future FPs, without Arera's prior review, the portions of the over-CAP costs excluded from the financial plans for the purpose of the next rate package, and this allowed the company to already recognize the revenue from those portions in the year in which they were earned, thus generating a receivable for rate adjustments.

Concerning the national Authority's investigations for the approval of the 2020-2021 FPs, determined with the old Mtr method, and the 2022-2025 FPs determined with the Mtr-2 method, and thus the confirmation of the over-Cap adjustments present in the 2020 and 2021 FPs, as they were added as components of the 2022-2025 FPs by the Basin Council, Arera approved with Resolution 147/2023/R/rif of April 4, 2023 the FPs of the municipality of Venice, it approved with Resolution 187/2023/R/rif of May 4, 2023 the FPs of the municipalities of Jesolo, Martellago and Spinea, and it approved with Resolution 315/2023/R/rif of July 13, 2023 the FPs of the municipalities of Mira, Mirano, Mogliano Veneto and San Donà di Piave.

In such approvals the Authority did not recognize the 2020 and 2021 over-Cap components added to the 2022-2025 FPs by the Basin Council, but it maintained the same total amount of the FPs (and thus Veritas' revenue), replacing those components with other ones that can be recognized from a regulatory perspective.

On January 1, 2024, the equalization system in the municipal waste sector (Arera Resolution 386/R/rif of Aug. 3, 2023) came into effect, which envisaged two surcharges (UR1 and UR2 components) to be added to the application of both Tarip and Tari.

The equalization systems, whereby components are charged to users and then paid to the Energy and Environmental Services Fund (CSEA) by the operator, are essentially neutral for the operator even in the case of Tari application, given that what is paid to Csea by the operator will still have to be reimbursed by the municipalities that collected the Tari tax.

With Resolution 355/2025/R/rif of August 29, 2025, the Authority introduced the recognition of a social waste bonus for domestic users of the integrated municipal waste management service in difficult socioeconomic conditions, with a third equalization component, the UR3 component, to fund the bonus.

For the social waste bonus, the operator is responsible for crediting the amount to the users and subsequently recovering it by offsetting it against the UR3 equalization fee; in this case as well, the administration of the social bonus has no impact on the operator.

The Ur3 equalization component has been in effect since 2025, while the social waste bonus will be credited to users starting in 2026.

Lastly, with respect to the regulation of rates for facilities and specifically the Jesolo landfill, regulated by Mtr-2, in April 2024 the Veneto Region first approved the rates for the previous years 2022 and 2023, and then in December 2024 it approved the update for 2024 and 2025.

In addition, in January 1, 2025, the single fee for waste consignment to facilities established by the Veneto Region with Council Resolution 422 of April 16, 2024 came into effect; it applies to all waste streams regulated by the Region and requires Arpav to apply an adjustment (i.e., a charge or revenue, according to the case at hand) to the rates applied by the operators of the Region's facilities.

Equity investments and business unit acquisitions

In 2025 the shareholder municipalities continued to rationalize their investments as resolved pursuant to the "Consolidated Law on investee companies" (Legislative Decree 175/2016).

In April 2025, the Board of Directors of Metalrecycling Venice srl promptly complied with the legal obligations for losses exceeding one third of the share capital, and then, at the April 2025 General Meeting, the sole shareholder Eco+Eco srl reduced the share capital due to the losses and subsequently subscribed to a capital increase of € 5 million, in part by offsetting receivables due from the company. The new share capital is € 5,869 thousand.

At the end of April 2025, Rive srl’s shareholders (Depuracque servizi and Hexa Green) resolved, subscribed to, and paid in a pro-rata capital increase totaling € 2,000 thousand, bringing the company's new share capital to € 4,000 thousand.

On October 7, 2025, Eco+Eco completed the acquisition of a 55% stake in its associate Ri.Cart. Venezia srl, bringing the Group's ownership to 100% and thus obtaining the control and the consolidation of the company within the Group from such date.

In November 2025 the acquisition of all Asvo shares was completed with the purchase of the remaining shares (44.25% of capital) owned by the Portogruaro municipalities (Veritas shareholders), in part through an exchange of Veritas treasury shares purchased specifically for the transaction by other Veritas shareholder municipalities that were not Asvo shareholders, in part with cash payment and in part with debt, pending the Municipality of Chioggia's sale to Veritas of its portion of treasury shares, which occurred in January 2026, enabling to pay off the residual debt to the Portogruaro municipalities with the handover of the treasury shares.

This transaction changed the ownership composition of Veritas' share capital.

In November 2025 Veritas subscribed to a share capital increase resolved by Eco+Eco srl to meet the financial commitments of the business plan whose investments were in progress; as a result of the € 20 million subscription, Veritas' interest in Eco+Eco is now 71.45% of the share capital (previously 66.88%); the capital increase was paid by offsetting with trade receivables for the same amount.

By the subscription deadline, in February 2026 the shareholder Trevisan spa participated in the share capital increase by paying its portion (share capital and share premium) of € 294 thousand.

On December 18, 2025 Eco+Eco sold 18.24% of its OMD srl quotas.

The investee companies continue to play a fundamental role in contributing to the Group's industrial and market management, by providing it with the necessary strategic flexibility in conducting its business activities.

Other events

As of 2025, the waste management service for the municipalities of Martellago, Pianiga and Concordia Sagittaria is now also carried out with the Tarip punctual rate system, instead of the Tari tax system.

In 2025, in the former Alcoa site in Fusina-Marghera, construction began on some facilities for sorting and treating paper and plastic waste deriving from sorted collection and the production of secondary raw material, with the aim of subsequently leasing this complex to Eco+Eco srl; the capital expenditure is estimated as approximately € 15 million.

In 2025, the transfer of sludge stored in tanks at the 23-hectare storage facility to the Vallone Moranzani landfill began.

Also in 2025, Sifa initiated discussions with the Veneto Region regarding the possibility of receiving a rate adjustment pursuant to Article 7.3 of the Settlement and Amendment Agreement dated December 27, 2016. The rates currently in effect are based on assumptions that are no longer realistic given Porto Marghera's altered development, as well as the anomalous and unpredictable trends in energy and raw materials markets. Formal assurance has been received from the Veneto Region regarding its willingness to review the rate mechanism, as well as the willingness of industrialists to take on the resulting additional burden for one year beginning April 1, 2026 (beyond that date, they have asked the Region to act to reduce the burden of the "project formula" costs borne by the industrialists remaining in Porto Marghera).

In July 2025, Depuracque submitted a new request to the Veneto Region for non-substantial modifications for the technological upgrade of the existing biological wastewater treatment plant, with the aim of improving the management of the biological sludge produced and enhancing the plant's performance. The proposed and planned measures include the installation of a new flotation system, the addition of new equipment for dewatering biological sludge, the construction of two storage tanks, and the construction of a third biological membrane treatment line. The new changes will be implemented in successive phases and are expected to be completed by the spring of 2027. These changes received approval for implementation in September, and the start of construction was announced in November.

After Sifa's partially structured PIF Multifunctional Platform was tested and the Metropolitan City issued the authorization for the facility's permanent operation, the technical and administrative testing of the works done resumed; they are expected to be completed in 2026.

2025 featured start-ups of numerous investment projects initiated in previous years by Eco+Eco. Of all the investments, the most significant were for the L2 line, which was completed and began operating, and for plastics recycling, with the new Mpo and Mpr lines launched in 2024 and inspected in 2025. The residual reprocessing line completed in 2024 became fully operational in 2025. The construction of the sorting and recycling plant at the former Alcoa site was also completed; the sorting line started operating in April 2025, while the activity of the extrusion lines began just in the last quarter. During 2025, the construction of the paper recovery and recycling plant located in the former Alcoa area was completed, and the plant will begin operating in 2026.

2.1.4 Business outlook

The first few months of 2026 continue to feature uncertainties deriving from geopolitical crises affecting the macroeconomic environment, particularly the new conflict in the Middle East between the U.S.A. and Iran and the consequential increase in energy, natural gas and fuel prices.

The Group is monitoring the impact of these scenarios, especially on the measurement of expected credit losses, focusing on billing.

With respect to environmental regulations, Venice Environmental Basin Council's Resolution 5 of April 30, 2026 approved the 2026–2029 financial plans prepared using the new Arera Mtr-3 method. The 2026–2027 financial plans envision the parent company's recovery of over-cap adjustments for both this year and prior years, totaling € 5.2 million, allowing the amounts to be recognized as revenue in these financial statements.

Furthermore, in 2026, a two-year monitoring period is planned for accounting unbundling in the waste sector, defined in Resolution 373/2025/R/rif of July 29, 2025, prior to its entry into force on January 1, 2028.

Activities are currently underway to begin implementing in 2026 the waste social bonus established by Arera Resolution 355/2025/R/rif of August 29, 2025.

The Venice Lagoon Basin Council is conducting a preliminary review to update Veritas' 2026–2027 water rates, pursuant to Arera Resolution 582/2025/R/idr of December 23, 2025, within the scope of the Mti-4 rate method in effect for 2024–2029.

Arera's decisions are pending with respect to the recognition of the rewards and penalties related to the incentive mechanisms for the measured technical and contractual quality for the 2024–2025 period.

The streamlining of investees is progressing in 2026.

The process of merging Asvo into Veritas is concluding. It began with Asvo's lease of its waste management business unit to Veritas starting January 1, 2024, it continued in 2025 with Veritas' purchase of all Asvo shares, and it will conclude in 2026 with the absorption merger.

In 2026, the waste management service for the Cavarzere municipality started to be carried out with the Tarip punctual rate system, instead of the Tari tax system.

Regarding the VAT litigation concerning the Tia rate, and specifically Veritas’ appeals against the Italian Revenue Agency’s failure to refund the VAT under the refund claims filed by Veritas after it had refunded the users, after Ruling 260 of March 20, 2025 of the Venice Court of First Instance, which ordered the Revenue Agency to pay the amounts claimed and to reimburse Veritas’s legal fees, further rulings in favor of Veritas and against the Revenue Agency have followed (rulings 640/2025, 641/2025, 680/2025, 814/2025, 820/2025, 114/2026, 117/2026, 118/2026, 134/2026, 193/2026, and 196/2026, all issued by the Venice Court of First Instance).

On the same topic of Tia VAT, in March 2026 Veritas filed a claim for damages against the Ministry of Economy and Finance and the Revenue Agency regarding the expenses incurred in litigation against users from 2011 to 2025, on the grounds that the principle of legitimate expectations and good faith in the law had been violated, demanding reimbursement of € 5.9 million.

On January 12, 2026, Veritas arranged a € 2.1 million payment to Impresa di Costruzioni Ing. Mantovani S.p.a. (undergoing composition with creditors proceedings) by way of subrogation pursuant to Italian Civil Code Article 1201 of the debtor Sifa, referring to the financial receivable not previously assigned to Veritas.

Looking ahead, Eco+Eco has sought to reposition itself through a program of substantial investments in adopting cutting-edge technologies for recycling and improving the efficiency of waste-to-energy plants. These investments of recent years have adversely affected the current and previous years, but they are of great strategic importance as their purpose is to ensure recovery and positive growth in the coming years, as well as to boost competitiveness in the domestic and international markets. These major investment projects, whose technological areas and authorization processes were initiated in previous years, will be fully implemented in 2026. The most significant ones undoubtedly relate to the L2 line, which once the commissioning phase is complete is expected to operate at full, continuous production capacity in the second half of 2026, and the investment in the former Alcoa "CSR" site. The latter will become fully operational in 2026, supported by trade and industrial partnership agreements for the development of the polyolefin-based post-consumer plastic recycling chain, upstream with the supply chain consortium and downstream with customers of the plastics supply chain. In early 2026, the new Comieco Platform (also at the former Alcoa site) began production designed to process paper and cellulose-based materials deriving from sorted waste collection, to serve as a strategic hub for the recovery of the cellulose fraction, and to ensure quality that meets consortium standards. Lastly, construction work on the new secondary sorting center, located in the former Alcoa site, will commence in 2026. The project is expected to be completed in 2027, with operations set to begin in the second half of 2028.

2.1.5 Group sustainability report

General Information

General basis for preparation [BP-1]

The *Group Sustainability Report* ("Report") of the Veritas Group ("Group") has been prepared on a consolidated basis pursuant to Legislative Decree 125/2024 implementing Directive 2022/2464/EU (Corporate Sustainability Reporting Directive or "CSRD") and is an integral part of the *Report on Operations* included in the Group's Annual Report.

The scope of reporting is the same as in the consolidated financial statements and refers to all fully consolidated companies.

This report has been prepared in accordance with the *European Sustainability Reporting Standards* ("ESRS") developed by the *European Financial Reporting Advisory Group* ("EFRAG"), with reference to the year 2025 (January 1 to December 31, 2025). In assessing the materiality of the impacts, risks, and opportunities, the aspects related to the upstream and downstream value chain have been considered where appropriate and are opportunely reported in the section on material impacts, risks, and opportunities and their interaction with the strategy and business model [SBM-3]. If the Group's value chain information is not available, the Company used the transitional provision (ESRS 1 – section 10.2).

In disclosing the information regarding its strategy, plans, and actions, the Group has not omitted any classified or sensitive information regarding intellectual property, know-how, or innovation results, and the Group has not used the exemption available under Directive 2013/34/EU Articles 19a(3) and 29a(3), since all the consolidated companies are based in Italy, an EU Member State that does not allow such exemption.

Disclosures in relation to specific circumstances [BP-2]

With respect to the time horizons adopted, the short-term, medium-term and long-term periods defined are consistent with ESRS 1. The long-term period is understood as the time horizon exceeding five years, until 2038, when the current credit facilities end.

In order to present accurately the performance and guarantee the reliability of the information reported, the use of estimates is limited, and those used are based on the best available methodologies and are appropriately disclosed herein.

In general, if estimates were made to quantify data or identify material prior period errors, a clear description of the methodology used was provided as set out punctually in the dedicated paragraphs, which may be referred to for this purpose. The estimates adopted for this report do not present a material level of uncertainty, except was regards Scope 3 (see ESRS E1 – Climate Change) and resource outflows (see ESRS E5 – Resource use and circular economy). Finally, when communicating forward-looking information, such as targets and planned future investments, it is essential to consider that such information is subject to inherent uncertainties and therefore may change over time.

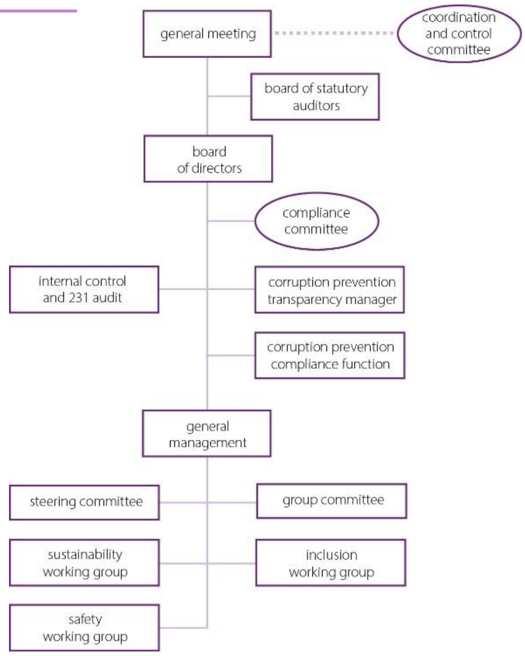
In accordance with Article 8 of Regulation (EU) 2020/852 on Taxonomy, the Veritas Group is required to provide specific environmental information in the section dedicated to European Taxonomy - "Disclosure of sustainable activities under EU Regulation 2020/852" - environmental information. In this context, the Group discloses information regarding the percentage of revenues, capital expenditures (Capex) and operating expenses (Opex) related to activities that can contribute to the environmental objectives set by the regulation (*Taxonomy-Eligible activities*), as well as the share of these activities that make a substantial contribution to climate change mitigation and the promotion of a circular economy (*Taxonomy-Aligned activities*).

The role of the administrative, management and supervisory bodies [GOV-1].

The main goal of the Veritas Group's governance is the delivery of excellent environmental public services at the lowest possible cost.

The Veritas Group aims to create value for its shareholders and for the local community through development and innovation in its various areas of expertise, with a view to sustainability and a circular economy.

Environmental, Social, and Governance management composition



Composition of governance bodies, roles and responsibilities

- *Chairman*: legal representative entrusted with managing the board of directors and relations between shareholders and local entities. Presides over relations with Utilitalia and other entities. Appointed with a majority vote at the General Meeting. The Chairman is not an employee of Veritas.
- *Coordination and Control Committee for the exercise of comparable control*: established on the basis of Article 6 of the agreement pursuant to Article 30 of Legislative Decree 267 of 2000 and Article 40 of the parent company's bylaws; it allows the shareholders to exercise similar control over the company and make decisions on corporate cost containment policies and strategies.

- *General Meeting*: responsible for adopting the most important decisions for the life of the company, such as the appointment and dismissal of members of the board of directors and the board of statutory auditors, approval of the budget and allocation of profits to benefit investments, shareholder plans, amendments to articles of association, and the issuance of bonds. The shareholders are the 51 municipalities in the territory served: all the municipalities in the City of Venice and seven municipalities in the province of Treviso. The controlling shareholder is the Municipality of Venice. When voting, each municipality counts as one vote. The parent company's shareholding structure is publicly available in the consolidated financial statements and on the corporate website on the transparency page.
- *Board of Directors (BoD)*: the Board in office at December 31, 2025 consists of nine members. It is entrusted with the management of the organization, the execution of corporate strategies, and the determination of the business plan, which contains the sustainability goals. It is the body responsible for decision-making and management of the organization's impacts on the economy, the environment and people. It consists of a chairman and eight directors.

  The board of directors is appointed, by a majority vote, at the General Meeting and has a term of three fiscal years. The members of the board of directors are all non-executive and independent. The Board members' remuneration and performance evaluations are established at the General Meeting, as stated in Veritas' bylaws. The documents on their appointments with the respective remuneration, performance-based pay, and expense reimbursements are publicly available on the parent company's website on the transparency page referring to policy-making bodies. The same page presents other positions and remuneration at public and private entities and publicly financed positions, declarations and certifications contemplated by Law 441/1982, Articles 2, 3 and 4, and the declarations of incompatibility and/or incompatibility contemplated by Law 190/2012 and Leg. Decree 39/2013.

  A policy, formulated at a General Meeting, is in effect within the Group to use predominantly employees on the administrative bodies of the subsidiaries in which the Group expresses designations, partly for the purpose organizational efficiency and effectiveness. The Board of Directors consists of 5 men (56%) and 4 women (44%), 44% aged between 30 and 50 and 56% over 50, and the average ratio of male to female board members is 1.25. To date, there is no representation of employees or other workers on the Board of Directors.

Veritas Board of Directors composition at December 31, 2025

	men	%	women	%	total	%
independent non-executive members	5	56%	4	44%	9	100%

age	number
members < 30 years old	0
members between the ages of 31 and 50	4
members over 50 years old	5
average age	**53**

The members of Veritas' Board of Directors have proven expertise in the sector and in finance, economics, law, science and sustainability (environmental, social and governance or "ESG"). In addition, the inclusion within the Board of Directors of persons with different backgrounds, educations and professional experience creates an integration of contributions related to the local area in which the Group operates. The table below summarizes the responsibilities held by the board members.

Veritas Board of Director members at December 31, 2025

name	skills and committee roles	scope of experience and skills
Mark Bordignon *BoD Chairman*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Coordination with local entities (Riviera Brenta and Miranese municipalities, Municipality of Venice) – Activities related to investee rationalization, development and coordination – Rebalancing equity distribution among local shareholder entities – Legal representation – External relations – External relations with Utilitalia Federation – External relations with other associated entities or third parties – Remuneration committee activities – Administration and finance activities	Finance, risk management, ESG
Michael Bison *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – PFAS, landfills, beaches and coastal tourism – Issues connected specifically to the Municipality of Jesolo in relation to the implementation of new infrastructure and services – External relations	Trade, productive activities, public administration
Sara Da Lio *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Supporting activities for real estate management – Supporting activities on architectural designs for new buildings and/or rationalization of property and plant assets – External relations – Activities related to corporate wellbeing, work-life balance, smart working, and workplace well-being training and information – Education award	Construction engineering and supervision, inclusion, gender equality, ESG
Silvia De Pieri *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Maintenance of relations with local institutions in the Asi spa shareholder municipalities and for service issues related to the specific local area represented – Activities pertaining to the protection of occupational health and safety (health surveillance - safety committees)	Prevention and protection in the workplace, Leg. Decree 231/01; ESG
Beatrice Filippi *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Customer satisfaction surveys – External relations – Activities in the areas of internal and external communication, information campaigns and marketing – Relations with local entities	Marketing and communications, ESG
Francesca Longo *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Coordination with local entities (Chioggia Cavarzere Cona) – Issues related to specificity of the Sottomarina and Isola Verde coastline in relation to the seasonal influx of tourists and service issues related to the specificity of the Chioggia area – Anti-corruption and transparency supporting activities, specifically corruption prevention and transparency manager replacement for absences as per the three-year corruption prevention and transparency plan, paragraph 4.1 – External relations	Legal; local expertise
Pier Giorgio Ometto *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Coordination with local entities – Activities regarding Veritas' cemetery services and related facilities – External relations – Coordination with Veritas Conegliano srl and with construction of new crematorium altar in the municipality of Venice through PPP	Legal, local expertise
Luke Schiavon *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Relations with local entities (Riviera del Brenta and Miranese municipalities) – Supporting activities for legal matters – External relations	Legal, local expertise
Emiliano Teso *BoD member*	– Specific acts pursuant to BoD resolutions (deeds, purchases, sales, other obligations) – Relations with local entities – External relations – Activities regarding Asvo merger	Water service, sustainability, ESG

Board members have direct sustainability competencies, including knowledge of the environmental regulations, sustainable management practices and risk assessment, and during 2025 the Board members were involved in multiple training activities for such competencies. The sustainability competencies are closely related to the organization's material impacts, risks, and opportunities. They enable the Board members to effectively evaluate the implications of business decisions, identify opportunities for improvement, and implement strategies that promote long-term sustainability.

Board of Statutory Auditors

This Board is responsible for supervising compliance with the law and the bylaws, and the compliance with the principles of fair management in the performance of business activities; the adequacy of the organizational and internal control structures; the independence of the independent auditing firm; and how the corporate governance rules are effectively implemented.

The Board of Statutory Auditors is appointed, by majority vote, at the General Meeting for a term of three fiscal years. The remuneration of the members of the Board of Statutory Auditors is determined at the General Meeting. The documents on their appointments with the respective remuneration are publicly available on the parent company's website on the transparency page. Declarations of incompatibility or incompatibility can also be found on the same page.

Veritas Board of Statutory Auditors at December 31, 2025

	men	%	women	%	total	%
Board of Statutory Auditors members	2	67%	1	33%	3	100%

age	number
< 30 years old	0
between the ages of 31 and 50	1
over 50 years old	2
average age	**59**

Board of Statutory Auditors members at December 31, 2025

name	role	scope of experience and skills
Maria Giovanna Ronconi	Chair of the Board of Statutory Auditors	Business administration, ESG
Andrea Burlini	Statutory Auditor	Economics, governance (Leg. Decree 231/01 and anti-corruption)
Alessandro Doria	Statutory Auditor	Business administration, governance

Compliance Committee

The Compliance Committee consists of a chairman and two other members, and is responsible for supervising the adequacy of the *Organizational Model* and the application of the *Code of Ethics*.

The Compliance Committee is appointed by way of an expression of interest through which the persons interested submit their applications. Once the candidates have been evaluated, the Board of Directors appoints the members and Chairman and sets the remuneration. The appointment documents containing the remuneration are publicly available on the parent company's website on the transparency page.

Veritas Compliance Committee at December 31, 2025

	men	%	women	%	total	%
Compliance Committee members	2	67%	1	33%	3	100%

age	number
< 30 years old	0
between the ages of 31 and 50	0
over 50 years old	3
average age	**58**

Governance at the managerial level

In order to properly implement the Group's guidelines and strategies set by the Board of Directors, a "matrix" operational structure has been identified across several corporate organizational functions, so that the most suitable vertical competencies can be activated as needed. In this context, intercompany Committees and working groups have been set up that are responsible for verifying that sustainability is concretely integrated into the Group's business.

Steering committees, coordinated by the general manager, coordinate among the different departments or companies of the Group. The main committees and groups that have a role on sustainability issues are set forth below.

- *Steering Committee*
  This is the highest governing body of the organization and is appointed and chaired by the general manager. It promotes, discusses and coordinates the overall governance strategies of the organization.
- *Group Committee*
  This is chaired by the Veritas CEO and is composed of the executives and managers with specific positions in the Veritas Group. It promotes and coordinates the overall governance strategies of the Group.
- *Safety working group*
  The Group takes care of all aspects related to workers' health and safety, disseminates the relevant information, and constantly interfaces with the workers' safety representatives to share the relevant decisions.
- *Inclusion working group*
  This working group aims to promote a culture of inclusion within the organization, focusing in part on diversity stemming from the reduced ability to interact with the surrounding environment (disabilities). It is concerned with spreading a culture of merit and, consequently, the opportunity for growth within everyone's reach.
- *Sustainability working group*
  The sustainability group is responsible for dealing with all matters regarding ESG issues and bringing insight to the other working groups as needed.
  The Group is delegated by the Board of Directors to supervise the double materiality assessment and related impacts, risks and opportunities.

Information flows on sustainability issues

The Board of Directors, which plays a crucial role in defining and handling impacts, risks and opportunities, guides the transformation and evolution of the Group's processes and activities to reflect sustainability principles.

Through its governance model, the Board of Directors defines the oversight of controls, risks, key performance indicators (KPIs) and ESG data and their significance in making strategic decisions and achieving the goals of the business.

Thus, the top management:

- determines, assesses and communicates risks and opportunities that may affect the organization's strategic goals;
- monitors the implementation of the strategy;
- has a key responsibility in implementing the organization's transition to sustainability;
- oversees internal reporting to the Board of Directors, ensuring high quality standards of the documents intended for the stakeholders.

Being aware of sustainability-related impacts, risks, and opportunities for the organization helps to ensure that efforts made to transition to sustainability are significant and calibrated to the organization. Such awareness is important for appropriately targeting the actions.

The Board of Directors is supported by various corporate levels described above that facilitate the flow of information and supervision and control of corporate activities regarding the impacts, risks and opportunities. The responsibilities of the Board of Directors and senior management regarding sustainability impacts, risks, and opportunities are formalized in the Group’s mission statement, the articles of incorporation, and the powers and mandates of the Board of Directors, as well as in the main corporate policies (including the *Sustainability Plan* and the *Organizational, Management, and Control Model* pursuant to Legislative Decree 231/2001). In addition, the general manager reports semi-annually on corporate issues including sustainability matters, bringing a summary of all the activities carried out by management to the Board of Directors. In addition to this reporting, at least once per year the Compliance Committee informs the Board of the results of the audits conducted and reviews carried out by the 231 Organizational Model and anti-corruption audit teams. All decisions about the strategic plan's inclusion and people management activities are also brought to the Board's attention. By attending Board of Director meetings, the Board of Statutory Auditors receives the same information on the sustainability matters.

Information on the impacts, risks and opportunities is one of the multiple sources used in the strategy development, adaptation and supervision process. During the reporting period, the impacts, risks, and opportunities were considered in the development of strategies, policies, and objectives for the various business and Group functions. For more information regarding the Group's material impacts, risks, and opportunities, see the section on material impacts, risks, and opportunities and their interaction with the strategy and business model (SBM-3 herein).

In 2024, the Board of Directors approved the *Sustainability Plan, a* document that defines the Group's strategic guidelines to be followed in implementing and monitoring the objectives set out in the *Business and Adaptation Plan*. The goal of the *Plan* is to incorporate sustainability into the corporate strategy and business models, and to ensure that this goal is supported by appropriate governance. The Board of Directors, assisted by the General Manager, Steering Committee and Group Committee, defines and approves the sustainability objectives set forth in the *Sustainability Plan* and periodically monitors their progress based on key performance indicators (KPI) and progress reports submitted by the relevant departments.

Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies [GOV-2]

The Group's sustainability governance is based on a structured framework of responsibilities, procedures and internal tools that ensure the active involvement of all administrative, management and control bodies, as defined in GOV-1. This involvement ranges from the definition and assessment of material impacts, risks and opportunities, as defined in the section on SBM-3 herein, to communication with stakeholders, to the development of Group strategies.

In this context, the various corporate boards take on specific roles - of guidance, validation or approval - ensuring informed and integrated participation in decisions on sustainability, a topic incorporated into the Group's governance processes and strategic management.

Integration of sustainability-related performance in incentive schemes [GOV-3]

The reward system directs the organization's behaviors toward strategic goals, in line with the current *Business and Adaptation Plan*.

All Veritas Group employees are entitled to a variable remuneration component, subject to achieving a balanced budget. The variable component takes the form of a performance bonus for blue-collar and white-collar workers and a management-by-objectives (MBO) bonus for executives, middle managers, and lower managers. The performance bonus is conditional not only on achieving a balanced budget (40% of the total), but also on meeting the industry and collective targets, customer satisfaction, and Arera technical quality parameters.

In addition to achieving a balanced budget, customer satisfaction and Arera's technical quality parameters, all levels of management are also assigned individual and/or shared objectives relating to corporate strategy and *Business and Adaptation Plan* initiatives. These targets cover issues such as anti-corruption, environmental impacts and management costs, and are related to sustainability issues. Hence, 60% the variable remuneration of managers refers to sustainability metrics. At this time, the Group is being structured to identify quantitative greenhouse gas (GHG) emission reduction targets for different areas; currently, the remuneration system takes into account the targets set in the *Business and Adaptation Plan* approved by the Board of Directors. The targets are approved by the Remuneration Committee, which also updates the conditions of the incentive schemes.

Statement on sustainability due diligence [GOV-4]

As part of its commitment to responsible business management, the Group has initiated a process to identify and assess actual and potential negative impacts related to environmental, social and governance (ESG) dimensions throughout the entire value chain. In preparing the *Sustainability Report*, the Veritas Group reviewed the information regarding its due diligence practices. The Group's *Sustainability Plan* is a first step in the due diligence process.

The table below presents the sections of the report that illustrate the main initiatives and actions taken, which represent a first concrete step toward building an organic system for managing current or potential ESG impacts. The activities implemented form the basis on which a more structured and integrated strategy can be developed in the future.

Key due diligence elements

	paragraphs in the sustainability statement
(a)	**Integrate due diligence into the governance, strategy and business model** – Role of administrative, management and supervisory bodies [GOV-1] – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies [GOV-2] – Strategy, business model and value chain [SBM-1] – Material impacts, risks and opportunities and their interaction with strategy and business model [SBM-3]
(b)	**Involve stakeholders at all key stages of due diligence** – Interests and views of stakeholders [SBM-2]. – Description of the processes to identify and assess material impacts, risks and opportunities [IRO-1]. – Processes for engaging own workforce and employee representatives about impacts [S1-2] – Processes for engaging consumers and end users about impacts [S4-2].
(c)	**Identify and assess negative impacts** – Strategy, business model and value chain [SBM-1] – Interests and views of stakeholders [SBM-2]. – Material impacts, risks and opportunities and their interaction with strategy and business model [SBM-3] – Description of the processes to identify and assess material impacts, risks and opportunities [IRO-1].
(d)	**Take action to address the negative impacts** – Risk management and internal controls over sustainability reporting [GOV-5]. – ESRS policies E1, E2, E3, E4, E5, S1, S4, G1 – ESRS actions E1, E2, E3, E4, E5, S1, S4, G1 – Processes to remediate negative impacts and channels for own workers to raise concerns [S1-3] – Processes to remediate negative impacts and channels for own workers to raise concerns [S4-3]
e)	**Monitor the effectiveness of actions and communicate** – ESRS targets E1, E2, E3, E4, E5, S1, S4, G1 – ESRS metrics E1, E2, E3, E4, E5, S1, S4, G1

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

Sustainability reporting is of strategic importance for the Veritas Group, not only with respect to the total transparency of its actions towards stakeholders, but also as a strategic tool for monitoring and setting objectives, in the short, medium and long term, regarding impacts, risks and opportunities related to sustainability issues.

An internal control and risk management system for consolidated sustainability reporting ensures that the information subject to such reporting is reliable and accurate, reflects as truthfully as possible the actions and performance of the Group, and complies with current regulations.

As early as 2019, the Group had a procedure in place for preparing the consolidated non-financial statement in accordance with Leg. Decree 254/2016, and during 2024, in accordance with the Corporate Sustainability Reporting Directive (CSRD) and in response to the ESRS requirements, the basis was formed for establishing an internal control system on *Group sustainability reporting*. In 2025, this system was further developed and expanded with the introduction of new elements designed to enhance its effectiveness and comprehensiveness. The system consists of the set of internal procedures and tools adopted by the Group to ensure the proper use of sustainability standards and the reliability, accuracy and trustworthiness of the information included in the Sustainability Report.

The procedure for preparing the Sustainability Report has been updated to ensure that the reported information complies with the regulatory requirements set forth in Directive 2022/2464/EU (CSRD), implemented in Italy by Leg. Decree 125/2024, and the ESRS reporting standards issued by EFRAG. The procedure identifies and regulates the following sub-processes:

1. *Definition of the scope of consolidation subject to reporting*: annually, the accounting and financial reporting department prepares and submits to the head of sustainability, environment and safety a prospectus with the Group's structure, which is used to define the scope of sustainability reporting, ensuring consistency with financial reporting; once approved, it is shared with all departments involved in the sustainability reporting process.
2. *Establishment of the closure schedule and timing of data collection*: the sustainability, environment and safety manager, in coordination with the accounting and financial reporting department, sets the annual timeline for data collection and the preparation of the sustainability report, and shares the schedule with the administrative manager for review and approval. Once approved, the schedule is sent to all the organization's responsible departments.
3. *Definition and approval of the double materiality assessment*: the double materiality assessment, prepared by the sustainability, environment and safety department in coordination with those responsible for the Group companies' management systems and with Veritas' general manager, identifies and prioritizes the Group's material sustainability aspects; the results are shared with the sustainability working group, Veritas' general manager, the Group Committee, and the Board of Directors for formal approval.
4. *Definition of data managers and reporting requirements*: annually, based on the results of the double materiality assessment, the sustainability, environment and safety department prepares the list of reporting requirements and begins the collection process; the list is shared with the human resources department to identify the data managers responsible for collecting and approving sustainability data.
5. *Management system data entry process and collection of supporting information:* all data are required within the deadlines set consistently with the closing dates. Prior to submission/data entry into the management system, the data are reviewed and approved by the general manager of the Group companies or by the relevant department director. The sustainability, environment and safety department monitors the process, ensuring compliance with ESRS standards, the double materiality assessment, the activity schedule, and the CSRD requirements.
6. *Information required by the Taxonomy Regulation:* each year, the environmental and safety sustainability department, in coordination with the business system managers, reviews the list of activities eligible for inclusion in the Taxonomy under Regulation (EU) 2020/852 and gathers information to verify compliance with the technical screening criteria in order to identify the aligned activities. At the same time, the financial KPIs are calculated, following a comprehensive reconciliation with the financial statement data.
7. *Preparation and approval of draft sustainability report*: the sustainability, environment and safety department combines the data approved by the function heads to prepare the draft sustainability report. The draft is reviewed by the offices responsible for the submitted data, by the sustainability, environment and safety department for consistency, and by the accounting and financial reporting manager for consistency with the financial data.

8. *Approval and publication of the Sustainability Report*: prior to approval by the Board of Directors, the Sustainability Report is reviewed and approved by the general manager. After the Board of Directors' approval, it is made available to the Board of Statutory Auditors and the independent auditors, and then is published on Veritas' website and filed with the Registrar of Companies.

Also identified within the procedure are all existing corporate policies and procedures governing the process of monitoring and collecting the data used in preparing the information contained in the sustainability report.

The Veritas Group has identified the main risks associated with the sustainability reporting process and the related controls put into place to manage the mapped risks, preparing a *Risk and Control Matrix* (RCM).

Risks are assessed on the basis of the criteria of probability and impact on sustainability reporting, and are prioritized according to their significance in terms of the reliability and completeness of the disclosures.

The associated risks and controls and those responsible for implementing the controls are described in the RCM for each stage of the reporting process. The main risks are incomplete, inconsistent, and inaccurate information due to incorrect and/or incomplete identification of the reporting requirements, and errors in the data collection process or in defining the reporting boundary.

The Board of Directors is regularly informed about the developments in the sustainability reporting process, the controls that the organization puts into place, and the results thereof, through periodic communication.

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

The Veritas Group operates in the segments of the integrated water cycle, integrated waste cycle, recovery and treatment of municipal and special waste, local public utilities, and energy services. Veritas, the parent company, is a publicly-owned multi-utility company. The Group, which had 3,613 employees at December 31, 2025, is headquartered in Mestre Venice and operates in 51 municipalities in the Venice metropolitan area and the province of Treviso, in northern Italy. In 45 of these, the Group supplies environmental services (waste management and urban sanitation), while it provides water services (aqueduct, sewerage and purification management) in 36 municipalities. In addition, in 12 municipalities the Group supplies some collective urban services.

Within the area described, the Veritas Group operates with five main plants (Eco+Eco valorizza, Eco+Eco ricicla, Metalrecycling, Rive, and Depuracque) and has among its most significant physical assets 34 municipal wastewater treatment plants with different capacities, 1 industrial sewage treatment plant, 39 collection centers and ecomobile services in 19 municipalities, 9 main branches, 5 landfills, 35 cemeteries and 3 crematoriums, 4 drinking water treatment plants, 14 main offices, as well as the Group's water plants.

Below is a more detailed description of the services offered.

- *Waste management services*

  Waste management services include sorted waste collection, the collection of municipal waste (household waste, including bulky waste, and from green areas such as gardens, parks and cemetery areas), the collection of hazardous municipal waste (expired medicines, batteries, etc.), street sweeping and cleaning, beach cleaning in coastal municipalities, and other activities required by municipalities under their respective municipal regulations. The collection methods are organized to facilitate and assist waste sorting by some 870,000 residents and by the many tourists who visit the area each year. The Group manages the waste management service by integrating it with an industrial recycling and energy recovery activity. Overall, the waste management system, as it is structured today, is an excellent expression of the circular economy, in which materials are constantly reused, remaining as long as possible within the economic cycle. Through the sorted waste chains, on average 97% of waste is treated in the area's plants and then put back on the market as a secondary raw material, returning to the production cycle. Even the residual unsorted waste is used to produce a secondary solid fuel (SSF). To meet the need for transparency for users and local authorities, the Veritas Group has tracked the waste supply chains. This means that the sorted waste and materials collected are tracked, followed, measured and recorded from when they are delivered until they are treated and reused. To date, the certified chains are for glass, plastics, metals, organic waste, greenery and brushwood, wood, paper and residual urban waste, bulky waste, and sweepings.

- *Integrated water service*
  Water is a renewable but not an inexhaustible resource. For this reason, it must be used rationally and sustainably. The Veritas Group manages its integrated water service in a manner that ensures excellent quality water, balanced and equitable use, and full compliance with regulations. The Group pursues the goal of improving the reliability and efficiency of this service while maintaining a large focus on the environmental impact and cost efficiency. The Group carries out the withdrawal, purification, treatment and distribution of water for civil and industrial use and the collection, pumping, transportation and purification of domestic and industrial wastewater. Particularly strategic is the possibility to reuse water in the Porto Marghera area.
- *Collective municipal services*
  The Veritas Group performs many user-oriented activities to meet collective needs. These include the operation of the wholesale fish market in Venice, environmental reclamation, the provision of footbridges in the event of high tide and snow, the integrated management of cemetery and crematorium services, the supply of heating, the operation of public lighting (for some municipalities), and the management of public restrooms. Moreover, the Group manages utilities at the Port of Venice (networks and supply of water, gas and electricity).

Sustainability strategy

The Veritas Group aims to create value for its shareholders and for the local community through development and innovation in its various areas of expertise, with a view to sustainability and the circular economy. The Group's strategy is reflected in the objectives of the Group's *2026-2030 Business and Adaptation Plan* ("*the Plan*"), approved by the Board of Directors in 2026 as revised in early 2025, which seeks to combine value creation and sustainability, particularly with reference to sustainability and the circular economy, which are now identified as priorities by the United Nations and the European Union.

The strategies of the *Plan* are divided into six guidelines: public governance, consolidation of core services, continuous rationalization and efficiency, selective development, people development, and user centeredness; specific lines of action are identified for each strategic challenge.

The six strategic guidelines for 2026-2030

1	**Public governance** Retention of public control and elements of distinction and inseparability of the organization
2	**Continuous rationalization and efficiency** Cost optimization by working to improve efficiency
3	**Selective development** Pursuit of growth opportunities through policies of mergers and acquisitions within the province, and of partnerships with entities operating in the same or neighboring areas or in the same sectors of specific interest
4	**Consolidation of services** Initiatives to strengthen industrial and service activities (environmental, water) for which the Veritas Group is already important even compared to the competition.
5	**People development and skills enhancement** Initiatives to support personal growth by fostering the acquisition of professional skills and specializations. Enhancement of diversity as an opportunity for corporate growth.
6	**Involvement of suppliers to improve ESG performance** Working together to measure and reduce carbon emissions along the value chain by including sustainability criteria in supplier evaluations. Training employees on supply chain sustainability issues.

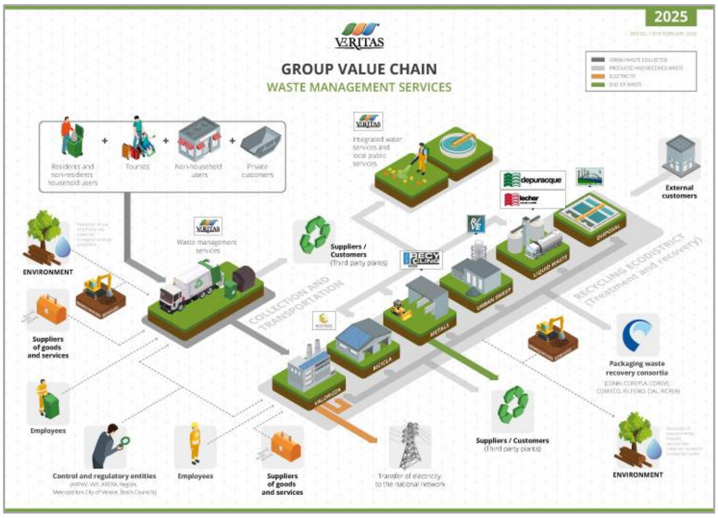
Through the management of its industrial and public utility services, the Veritas Group makes an active contribution toward achieving the Sustainable Development Goals (SDGs) of the 2030 Agenda. The achievement of the SDGs is closely influenced by progress in the area of local public services, in which the entities involved play a fundamental role with respect to involving individuals and the entire community. Through its activities, the Veritas Group contributes to 12 macro goals.

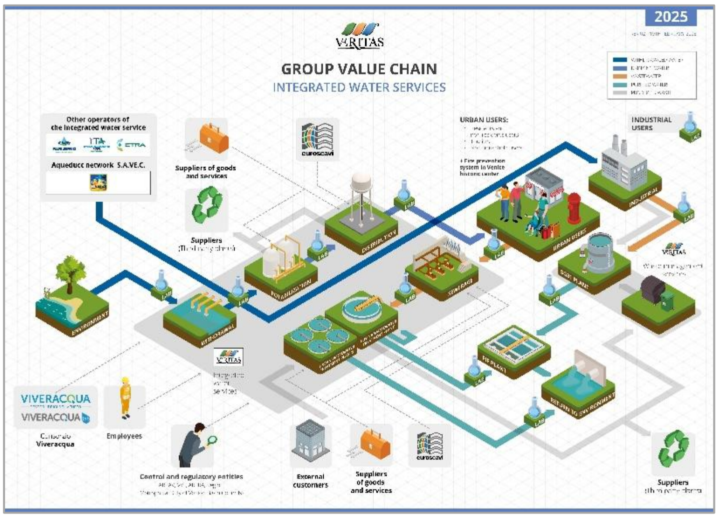
The sustainability objectives and actions defined in the *Business and Adaptation Plan* cover all the services supplied and concern the Group's planned investments and activities, for each geographic area, that will contribute to the pursuit of the 2030 Agenda objectives, including those regarding the European taxonomy and Arera regulations. In keeping with the *2026–2030 Business Plan*, the Group’s sustainability objectives are outlined across the main service sectors (waste management, water, and local public services) and the geographic areas served, with the aim, among others, of further increasing the waste sorting and material recovery rates, reducing water losses, and promoting energy services with a lower environmental impact to benefit the local communities and customers. Further quantitative details on the objectives are provided in the sections on the specific E/S topics. The *Plan* is approved by the parent company's shareholders, who are the mayors of the municipalities served, representing their residents. The Group considers its current portfolio of waste management, water, and local public services to be consistent with the sustainability objectives defined in the *Business Plan*, particularly with regard to the circular economy, the safeguarding of water resources, the decarbonization of energy services, and the support in achieving the SDGs in the communities served. The periodic assessment of the impacts, risks, and opportunities identified by the double materiality assessment guides the development of the service portfolio and investment priorities.

Veritas Group's contribution to the 2030 Agenda

Value chain

In line with the services supplied, three Veritas Group value chains have been identified: one value chain for waste management services, one for the integrated water service, and one for local public services. The Group's value chains involve a widespread system of activities, resources and relationships geared toward the creation of shared value that extend both upstream and downstream and that represent the entire process through which the Group plans, delivers and manages its services – from the procurement of resources to delivery, post-service management and by-product use.





The value chain for waste management services is represented by several Group companies, in addition to the parent company, which provides services for residents and some private customers and manages closed landfills and one landfill still operating. They include the companies established in the "recycling ecodistrict" represented by Eco+Eco, Metalrecycling, Rive, Sifa and Depuracque and Lecher, which are located in the Salzano area and treat wastewater. The upstream value chain is made up of the environment in which the Group operates, where reclamation services can act to return parts of the area to be used, including for the installation of Group facilities; the users/customers who produce waste; and the suppliers of goods and services that contribute on one hand to the supply of some parts of the service and on the other to maintenance and other activities, to guarantee plant and equipment operational continuity, including some services provided by the parent company to the other companies. Lastly, the control and regulatory entities that set the monitoring rules and verify the adherence to them are in the value chain. The people who work for the companies identified in the value chain are essential for the existence of the services. Downstream, the value chain is represented by the environment, suppliers and end consumers for the disposal and final treatment of waste, waste recovery consortia, the energy manager for the sale of energy from secondary solid fuel (SSF), and the remediation service that returns damaged areas to the territory. The operations are waste collection, transportation, sorting, treatment and recovery, and disposal.

The value chain of the integrated water service is represented by several Group companies. In addition to the parent company, which serves the residents and some private customers, upstream are the environment; other operators of the integrated water service and aqueduct network in the Veneto region, as water suppliers; Euroscavi, a Group company that offers relining services for aqueduct and sewerage networks; users, including industrial users, and customers who use the water and sewage services; and the suppliers of goods and services that contribute on one hand to the supply of some parts of the service and on the other to maintenance and other activities, to guarantee plant and equipment operational continuity, including some services provided by the parent company to the other companies. The control and regulatory entities, which set the monitoring rules and verify the adherence to them, are part of the value chain. The people who work for the companies identified in the value chain are essential for the existence of the services. Downstream in the value chain are the environment, suppliers and end consumers for the disposal and treatment of waste produced by plants and services. The operations consist of drinking water and industrial water withdrawal and distribution, wastewater collection and treatment, and laboratory analysis.

The main local public services, of a collective nature, provided by the Group are: cemetery services, operation of crematoriums, energy services (public lighting, heating management, photovoltaic plants, cogeneration), management of public green areas, management of the wholesale fish market of the city of Venice, restroom services, installation of footbridges in case of high water. The value chain is represented upstream by residents and non-residents, users and customers according to the type of service supplied, such as undertakers and stonemasons in the case of cemetery services.

In addition, municipalities and shareholders are also upstream in the Group's value chain if they use services, for example of public lighting or public green services. The upstream chain is also represented by suppliers of goods and services that supply certain parts of services and activities such as maintenance that ensure plant and equipment operational continuity (for cremation or illumination). The control and regulatory entities, which set the monitoring rules and verify the adherence to them, are part of the value chain. The people who work for the companies identified in the value chain are essential for the existence of the services. Downstream in the value chain are the environment, suppliers and end customers for the disposal and treatment of waste produced by plants and services.
Value chain mapping is the result of a process that combines internal knowledge and sources, making possible a comprehensive and strategic view of business operations and the interconnections between the various actors in the chain itself, both upstream and downstream.

The Group offers a range of services intended to benefit its stakeholders in order to respond effectively and efficiently to market demands and to meet the demands of the various stakeholders. The Group ensures effective and efficient public services with full transparency based on respect for people and for the requirements, including contractual ones in the case of businesses, ensuring profit and the ability to adapt to evolving market situations and regulations.

Interests and views of stakeholders [SBM-2].

The Veritas Group believes that stakeholder engagement is crucial to an organization's performance. Today's challenges make it urgent to engage in dialogue with stakeholders on new topics and in new ways. Traditional forms of engagement, such as shareholder engagement, voting participation, and employee dialogue and negotiation, have long been institutionalized through policies, rules, and regulations. It is through these approaches that the Group companies have been accountable to their stakeholders, involving them in the organization's processes.

The Group's actions are driven by principles of transparency, ethics and respect for the stakeholders' interests, the principle of legality, international standards of behavior and human rights; based on these principles, the activities of the various Group companies are determined.

The Veritas Group has identified its stakeholders according to the following rational:

- *responsibility* - legal, financial and operational in the form of regulations, contracts, policies, etc.;
- *influence* - stakeholders with power to influence or make decisions;

- *proximity/closeness* - stakeholders with which the organization interacts the most, including internal stakeholders with whom there are established relationships and on whom it depends for day-to-day operations;
- *dependence* - directly or indirectly dependent on the organization's activities and operations, both in business/financial terms and in terms of regional or local infrastructure;
- *representativeness* - through rules or by custom and culture, they can legitimately make themselves the spokesperson of a request;
- *political and strategic intent* - those who deal with them directly or indirectly because of their policies and choices, including those who can provide insight into emerging issues and risks.

In addition, the Group's stakeholders have been identified on the basis of two main categories: those who are or could be affected, positively or negatively, by the organization's activities and business relationships (affected stakeholders) and those who benefit from financial reporting and sustainability statements (users of sustainability statements).

The stakeholder engagement strategies are category-specific and are identified with the aim of assisting the Group in fully understanding the challenges it faces in developing and achieving its goals, and in assessing its ability to respond effectively to the stakeholders.

The Group takes into consideration the outcome of stakeholder engagement by continuously assessing the stakeholders' views and interests and integrating them into strategic and operational decisions. Periodically, as a result of subsequent engagement processes, the organization may revise the map of its key stakeholders, as well as its engagement strategies, goals and objectives, and related business plans. When the engagement process has fully developed, the organization includes stakeholders in the assessment and re-mapping of key stakeholders.

With this in mind, the administrative, management, and supervisory bodies are regularly informed of the results of the engagement activities, including on sustainability topics, and sometimes participate in stakeholder engagement events with institutional figures or shareholders.

The following is a list of the Group's key stakeholders, the key topics related to them, the methods of involvement and the rationale according to which they were identified. The methods of involvement and the key topics of the stakeholder categories reported are those defined in the *stakeholder engagement plan*, which contains planned and unplanned internal and external communication actions, published on the parent company's website in the "stakeholder engagement" section.

Stakeholders

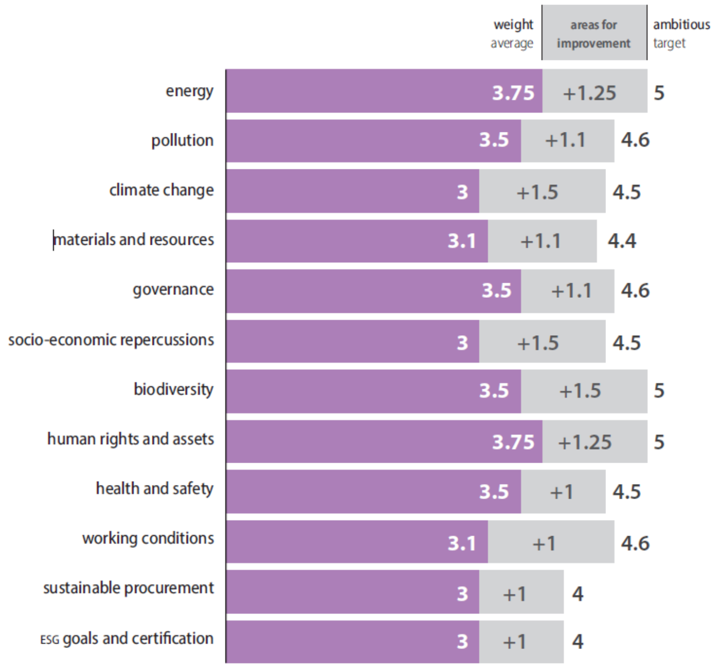
key topics	methods of engagement	rationale
Shareholders | *affected stakeholders/users of sustainability statements*		
Earnings, business system based on best practices	Corporate website, events, bulletins, General Meetings, annual reports, financial statements	Responsibility – influence – dependence – political and strategic intent
Board of Directors BoD | *affected stakeholders/users of sustainability statements*		
Constant growth of the organization, work continuity, collaborative staff, internal climate, enhancement of employee work, incentives, remuneration, work/life balance (e.g. remote working), equal opportunities, safety and healthiness of the working environment and of the persons, funding for safety obligations, technological innovation, communication, wellbeing, supplementary healthcare services and supplementary pensions, care for families. Respect for the surrounding environment; quality of service offered to customers; compliance with regulations and laws (environmental and safety).	Regular Board meetings, communications, webinars, workshops	Responsibility – influence
Compliance Committee | *affected stakeholders/users of sustainability statements*		
Involvement in aspects concerning safety and health in the workplace (risks, emergencies, accidents, criminal proceedings, reports of control bodies, etc.); the environment (prevention of environmental crimes); verification of the *Organization and Management Model* pursuant to Legislative Decree 231/01.	Periodic meetings of the Committee, internal audits, audit reports, webinars, workshops	Responsibility
Management, employees and family members | *affected stakeholders/users of sustainability statements*		
Work continuity, internal climate, enhancement of own work, incentives, remuneration, work/life balance, equal opportunities, safety and healthiness of the work environment and of the persons, technological innovation, respect for the surrounding environment, communication, wellbeing, supplementary health services and supplementary pensions, care for families.	Emails, telegrams, corporate intranet, corporate noticeboards, webinars, General Meetings, events	Proximity/closeness dependence – – representativeness
Workers' safety representatives | *affected stakeholders/users of sustainability statements*		
Involvement and prior consultation by Management in decisions relating to safety aspects (risk assessment, implementation and verification of prevention in the organization or production unit; organization of training and process, technical and organizational changes, etc.).	Emails, telegrams, corporate intranet, bulletins, security audits, training; regular meetings	Proximity/closeness – representativeness
Designated doctor | *affected stakeholders*		
Consultation by management when updating risk assessment documents for process, technical and organizational changes, etc.). Management of information received from the employer regarding the nature of risks; the organization of work, planning and implementation of preventive and protective measures; description of production plants and processes; data referred to in Leg. Decree 81/2008, Art.18, paragraph 1, letter r) and those relating to work-related ill health; measures adopted by supervisory bodies.	Emails, telegrams, corporate intranet, press releases, medical visits, training, regular meetings, working groups	Responsibility
Prevention and Protection Service Managers (Rspp) | *affected stakeholders*		
Collaborative relationship with workers and the prevention and protection service. Management of information received from the employer regarding the nature of risks; the organization of work, planning and implementation of preventive and protective measures; description of production plants and processes; data referred to in paragraph 1, letter r) of art. 18 of Legislative Decree 81/2008 and those relating to work-related ill health; measures adopted by supervisory bodies.	Emails, telegrams, corporate intranet, press releases, security audits, training; regular meetings, working groups	Proximity/closeness
Trade union representation | *affected stakeholders*		
Involvement in case of changes that impact the related employment contracts (shifts, reduction of hours, bonuses, etc.) and in the elections of workers' safety representatives; guarantee of professional growth and improvement of health and safety in the workplace.	Bulletins, company website, e -mails, telegrams; regular meetings, bilateral commissions	Proximity/closeness – representativeness – political and strategic intent
Users, business and institutional customers, consumer associations, trade unions | *affected stakeholders/users of sustainability statements*		
Service quality and continuity, observance of contractual agreements in terms of both service and regulatory compliance (particularly environmental and safety regulations), assistance during the phases of the contractual relationship, rates, transparency, service reliability, external communication and information, proper management of entrances and proper assistance during the downloading phases by the designated internal staff.	Corporate website, social media; bulletins, emails, events, customer service, call centers, regular meetings	Influence – dependence – representativeness
Financiers, banks, public entities | *affected stakeholders/users of sustainability statements*		
Relationship continuity, long-term financial solidity, compliance with covenants and ESG.	Bulletins, financial statements, corporate website	Influence
Insurance | *affected stakeholders/users of sustainability statements*		
Compliance with applicable regulations and adequacy of insurance policies; containment of residual risks; timely information on new or emerging risks.	Press releases, financial statements, corporate website e-mails	Influence
Suppliers and contractors, providers of goods, services and works, consultants and contractors, social cooperatives | *affected stakeholders*		
Relationship continuity, qualification, negotiation of conditions, payment and contract drafting time, clear and managed workplace safety aspects, gradual convergence of intents and reporting towards ESG topics.	Corporate website, social media, press releases, emails, events, audits	Proximity/closeness dependence
Public administration, local and public entities, control bodies | *affected stakeholders/users of sustainability statements* (Municipalities, provinces, region, CMDV, ambit authorities, Basin Council, Ministerial control commissions, fire departments, occupational health and safety service)		
Communication, care for the local area, management of environmental impacts, compliance with applicable environmental and workplace safety legislation, constant monitoring of environmental impacts, adequate risk assessments, permits, compliance with the principles of legality, transparency and fairness in carrying out activities, collaborative relationships.	Bulletins, corporate website	Responsibility – influence
Local communities and associations |Trade unions, media, residents and committees, environmental associations | *affected stakeholders/users of sustainability statements*		
Investments in the local area, communication, sustainable use of natural resources; production of energy from renewable sources, energy and water savings, reduction of greenhouse gas emissions, controls over atmospheric emissions, enhancement of waste chains, remuneration actions.	Corporate website, social media, bulletins releases, emails, events	Influence – representativeness – political and strategic intent
Group companies and business partners | *affected stakeholders/users of sustainability statements*		
Other Group companies within the scope of consolidation and strategic business partners with which improvements and therefore opportunities can be implemented or who can mutually influence the context. Gradual convergence of intents and reporting toward ESG and security topics.	Emails, telegrams, corporate intranet, corporate noticeboards, webinars, General Meetings, surveys; regular meetings, cross-functional working groups	Influence – dependence
Future generations/ | *affected stakeholders*		
Application of the concept of sustainable development, i.e., development that meets the needs of the present without compromising the ability of future generations to satisfy their needs.	Events; communication in schools, social media	Influence – – representativeness

With regard to the double materiality assessment, in 2025 a multi-session event was organized to foster a deeper understanding, through listening, analysis, and discussion between the shareholder municipalities and the Veritas Group, of: the municipalities' real priorities when it comes to sustainability; the initiatives already underway and those strategic for the future; how the Veritas Group can support municipalities on their ESG journey.

Each municipality shared: what it is already doing in the areas of the environment, social responsibility, and governance; the challenges perceived as most urgent; the ambitions for the near future.

This made it possible to compile a list of 147 sustainability initiatives, and the issues most important to the mayors were identified.

Each cluster of municipalities identified different priorities: energy (energy communities); materials and resources (reuse centers, fewer dumpsters); climate and biodiversity (coastal areas, slow mobility); adaptation and mitigation measures (flooding, stormwater management and cleaning of storm drains). This will enable the Veritas Group to design tailored services that meet the local needs.



The materiality of the 12 topics was determined by the mayors by comparing their perception of the current status with their future aspirations (on a scale of 1 to 5). The resulting score reflects the strategic importance that each local government assigns to the issues addressed, transforming local concerns into concrete action priorities.

In addition, a survey was conducted among the Group employees to understand their perceptions of inclusion-related topics and their awareness of the initiatives implemented by the Group.

A total of 790 people participated. The average satisfaction score for inclusion-related topics was 3.89 (on a scale of 1 to 5). The best-known initiative is the Pink Camper.

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

In the sustainability reporting, the impacts, risks and opportunities resulting as material from the double materiality assessment were considered, in accordance with the ESRS. The material IROs are listed hereunder. The material impacts described below are closely related to the Group’s service model and strategic decisions.

Impact materiality

description	Positive/ negative impact	current/ potential impact	value chain	time horizon (short-, medium- or long-term)
ESRS E1 – Climate Change				
Negative impact from greenhouse gas (GHG) emissions generated by fossil fuel energy consumption and atmospheric emissions, mainly from the Group's facilities and transportation as well as the value chain.	negative	actual	Own operations and value chain	Short-term
Positive impact on climate change mitigation from the reduction of greenhouse gas (GHG) emissions obtained through investments in alternative sources (e.g. photovoltaic, secondary solid fuel, biogas), the acquisition of low- or zero-emission vehicles and equipment, and energy efficiency at offices and facilities.	positive	actual	Own operations	Short-term
Negative impact from the Group's energy consumption, particularly by the offices, facilities, transportation means, and value chain.	negative	actual	Own operations and value chain	Short-term
ESRS E2 – Pollution				
Negative impact on air pollution caused by (non-GHG) air emissions produced by the organization's facilities and activities and throughout the value chain.	negative	actual	Own operations and value chain	Short-term
Positive impact from the reduction of emissions from users' water discharges thanks to the wastewater purification activity.	positive	actual	Own operations	Short-term
ESRS E3 – Water and Marine Resources				
Negative impact linked to excessive water consumption due to scarce attention to water resources.	negative	actual	Own operations	Short-term
Positive impact from the use, by users/customers and by the Group's companies, of recycled water from the purification plants for industrial and irrigation use.	positive	actual	Own operations and downstream value chain	Short-term
Negative impact from the consumption by users, with a consequent increase in water withdrawals and a long-term decrease in the aquifer, aggravated by users' possible lack of awareness of their water use and by higher temperatures, particularly in summer.	negative	potential	Value chain	Short-term
ESRS E4 – Biodiversity				
Positive impact from CO_2 absorption thanks to tree planting	positive	potential	Own operations and downstream value chain	Long-term
Positive impacts on the tree population due to the Depuracque servizi park management, planting by Veritas and plant replacement at cemetery sites, and on the bee population from bee-keeping activities (at landfills).	positive	actual	Own operations and downstream value chain	Short-term
ESRS E5 – Resource Use and Circular Economy				
Positive impact from waste collection, sorting, treatment and recovery, and from the production of secondary raw materials and the transparency of these operations through waste traceability.	positive	actual	Own operations	Short-term
ESRS S1 – Own Workforce				
Positive impact in terms of improved working conditions resulting from the assurance of the collective bargaining agreement.	positive	actual	Own operations	Short-term
Positive impact in terms of improving individual well-being thanks to corporate initiatives related to welfare and a work-life balance, such as remote working, flexible working hours, tailored schedules, an easier commute.	positive	actual	Own operations	Short-term
Negative impact relating to accidents and work-related ill health resulting from inadequate preparation of safety measures, training deficiencies, inadequate maintenance and/or conformity of structures and personal protective equipment, and the improper use of machinery and equipment.	negative	potential	Own operations	Short-term
Positive impact on staff health due to various welfare initiatives related to personal health, such as pink campers, supplementary insurance, dermatological visits and prevention activities including those related to job risks such as manual load handling (active aging projects).	positive	actual	Own operations	Short-term
Positive impact in terms of promoting gender equality through corporate initiatives, training, career paths and fair remuneration policies.	positive	actual	Own operations	Short-term
Positive impact resulting from staff enhancement through various technical and relational training activities, including those not strictly linked to the work environment; internal personnel assessment before recruiting externally, structured performance evaluation system, leadership model based on 5 cross-cutting skills, which allows to monitor and add more strategic processes concerning the people and the positions in the organization (e.g.: screening, replacement plans, reorganizations, assignments, performance bonuses, etc.).	positive	actual	Own operations	Short-term
Positive impact in terms of inclusion of persons with disabilities, by being equipped with accessible infrastructures and working methods and being assisted by technological innovation.	positive	actual	Own operations	Short-term
Positive impact due to the special awareness raised on the different forms of violence and harassment through various initiatives such as: dedicated training on the subject, presence of a trusted adviser to turn to, penalties for harassment included in the code of ethics, and inclusion of the risk in the Risk Assessment Document.	positive	actual	Own operations	Short-term
Positive impact in terms of inclusion and respect for diversity related to the promotion of these topics through specific corporate policies, certification and inclusion training activities.	positive	actual	Own operations	Short-term
ESRS S4 – Consumers and End-users				
Positive impact from the increase in channels accessing information, guaranteed by digital and traditional tools that improve communication, timeliness and dissemination of information to a greater number of persons.	positive	actual	Own operations and value chain	Short-term
Positive impact on users' health and safety from the purification, disinfection and monitoring of water intended for human consumption.	positive	actual	Own operations and value chain	Short-term
Positive impact on users' social inclusion from the multilingual communication tools, accessibility to persons with disabilities, and financial support measures such as conciliation, bonuses and invoice installment payment schemes.	positive	actual	Own operations and value chain	Short-term
Positive impact from greater accessibility to the services supplied, facilitated by the widespread presence of affiliates throughout the area, the use of digital platforms and dedicated services.	positive	actual	Own operations and value chain	Short-term
Negative impacts related to issues arising from interruptions in drinking water service due to network maintenance, water shortages, and orders declaring the water undrinkable (do-not-drink orders).	negative	actual	Own operations and downstream value chain	Short-term
ESRS G1 – Business Conduct				
Positive impact from the prevention and identification of corruption and bribery due to the training provided to employees, ISO 37001 certification, and audits pursuant to Legal Decree 231.	positive	actual	Own operations	Short-term
Negative impact related to difficulties suppliers may encounter due to potential payment delays or payment terms that exceed those agreed by contract.	negative	potential	Own operations	Short-term

Financial materiality

description	risk/ opportunity	value chain	time horizon (short, medium or long-term)
ESRS E1– Climate Change			
Risk related to extreme climatic events, such as tornadoes, heavy rainfall and floods, which can cause an increase in waste production, flood sewers, damage infrastructure and compromise the supply of services, producing the need to reorganize services, adding costs and possible environmental penalties, and worsening some environmental indicators (Arera indicator M4), with the related penalties, claims and user compensation.	Risk	Upstream value chain	Long-term
Risk from drought, seawater intrusion and water stress that can affect the safety of drinking water, damage the facilities and increase the costs of withdrawal and purification, particularly during busy tourist periods, and also lead to worse environmental indicators (Arera indicators M2 and M3), with the related penalties, claims and user compensation.	Risk	Upstream value chain	Long-term
Risk caused by rising temperatures and heatwaves that can impact operations and increase adaptation costs, for example for cooling the plants and protecting the infrastructures.	Risk	Upstream value chain	Long-term
Opportunities given by energy efficiency, investments in alternative sources such as solar panels, solid secondary fuels and biogas, which offer benefits in terms of access to energy incentives for decarbonization, and new opportunities concerning the transition to a low-emission economy.	Opportunities	Own operations	Short-term
Risk related to the energy consumption from fossil fuels of offices, facilities and vehicles which can erode the operating margin due to an increase in energy costs and potential reputational issues.	Risk	Own operations and upstream value chain	Short-term
ESRS E2 – Pollution			
Risk related to the air emissions (nitrogen and sulfur oxides, etc.) produced by the Group's activities and by the waste treatment plants and crematoriums, which could lead to penalties, higher emission reduction costs and potential reputational damages.	Risk	Own operations and upstream value chain	Short-term
Opportunity from the wastewater purification activity (reduction of emissions from water discharges), with the consequent improvement in environmental indicators (Arera indicator M6) and access to potential reputational rewards and benefits.	Opportunity	Own operations	Short-term
ESRS E3 – Water and Marine Resources			
Opportunity from investments in the use of recycled water, which can reduce water withdrawal and the related costs and lead to reputational benefits and an improvement in the environmental indicators concerning the management of water resources (Arera M0 indicator), with the related rewards.	Opportunity	Own operations	Short-term
Risk generated by an increase in consumption by users, causing greater water withdrawals and leading to higher withdrawal costs and a worse environmental performance (Arera indicator M0), with the related penalties.	Risk	Downstream value chain	Short-term
ESRS E5 – Resource Use and Circular Economy			
Risk of exceeding the authorization limits due to fluctuating waste production (beyond the normal variability), caused by tourism spikes in some periods of the year and that lead to organizational difficulties and possible complaints from users, customers and residents.	Risk	Downstream value chain	Short-term
Risk from sewage sludge treatment, which leads to worse environmental indicators (Arera indicator M5), with the related penalties.	Risk	Own operations	Short-term
Opportunities of energy recovery from unsorted waste thanks to the upgrade of the Eco+Eco *valorizza* energy hub (Line 2).	Opportunities	Own operations and downstream value chain	Short-term
Opportunities related to waste collection, transportation, sorting, treatment and traceability activities, which can optimize synergies, increase recovery rates, produce secondary raw materials and improve the business reputation.	Opportunities	Own operations	Short-term
ESRS S1 – Own Workforce			
Risk related to accidents and work-related illnesses that impose the need to replace injured staff, additional costs and potential penalties.	Risk	Own operations	Short-term
Risks associated with the hiring process. The need to ensure that the organization hires suitable candidates who meet standards set for integrity and possess the skills and qualifications required for the role.	Risk	Own operations	Short-term
Risks associated with the failure to develop workforce plans that identify the current and future labor supply and demand, and clearly define the knowledge, skills, and competencies required of the workforce. Role requirements are also key considerations that help identify opportunities and risks. Absence of severance pay management.	Risk	Own operations	Short-term
Opportunity related to training and the development of employee skills that can increase operational effectiveness and efficiency, improve the corporate climate and relationships, and strengthen the sense of belonging to the Group.	Opportunity	Own operations	Short-term
ESRS S4 – Consumers and End-users			
Risks caused by issues arising from interruptions in the drinking water service due to network maintenance, water shortages and do-not-drink orders. The risks may include reputational risks, compensation to users, Arera penalties, non-compliance with standards, and failure to meet Arera objectives.	Risk	Own operations and downstream value chain	Short-term
ESRS G1 – Business Conduct			
Risk related to the continuous, rapid evolution of industry regulations, creating the obligation for the organization to adapt to the new regulations and thus involving non-compliance, reputational and compliance cost risks.	Risk	Own operations and upstream value chain	Short-term

Indicator key

M0	M1	M2	M3	M4	M5	M6
Water resilience	Water leaks	Service interruptions	Quality of water supplied	Adequacy of the sewerage system	Landfill sludge disposal	Purified water quality

The Veritas Group has analyzed the resilience of the organization's strategy and business model in terms of their ability to address the material impacts and risks and pursue the significant opportunities. The results of this analysis are integrated into the *Business and Adaptation Plan*.

The speed of the ecological transition and all the related activities have undergone accelerations and sudden slowdowns due to favorable and adverse exogenous factors, which is why the Veritas Group has implemented opportune measures aimed at adapting to, expanding and pursuing the important opportunities that have emerged from the changes underway. The ability to adapt flexibly to challenges undoubtedly represents a strategic advantage in addressing the many variables and seizing the opportunities offered by the competencies acquired. This makes it possible to react constructively, both for the Group's companies that offer public services and for those that with a commercial purpose.

For each of the material risks identified in the double materiality assessment, the associated current financial effects were evaluated.

During 2025, the financial effects consisted of € 8.4 million in capital expenditures for fixed assets, € 4.1 million of which was covered by government grants, and non-recurring costs of € 0.1 million, related to the following risks:

- risk related to extreme climatic events, such as tornadoes, heavy rainfall and floods, which can increase waste production, flood sewers, damage infrastructure and compromise the supply of service; for this risk, the Group has invested in the infrastructures of the integrated water service with the construction of and/or improvements in accumulator tanks for first flush rainwater, works on the separation of the grey wastewater from white wastewater, and works to improve the flood spillways; the investments of € 5.5 million, of which € 4 million was covered by government grants, are reflected in the consolidated statement of financial position under "service concession arrangements" (Note 6 on intangible assets, section on services under concession in the explanatory notes to the consolidated financial statements); in contrast, during 2025 the non-recurring costs for the year for flooding was € 0.1 million, reflected in the consolidated statement of profit or loss under costs of services (Note 36 in the explanatory notes to the consolidated financial statements) and there were no related reimbursements of damages to third parties;
- risk from drought, seawater intrusion and water stress that can affect the safety of drinking water, damage the systems and increase the costs of withdrawal and purification; for this risk, the Group has invested in the infrastructures of the integrated water service with improvements to the collection and purification systems, the Savec pipeline and wells; these investments of € 1.1 million, of which € 0.1 million was covered by government grants, are reflected in the consolidated statement of financial position under "service concession arrangements" (Note 6 on intangible assets, section on services under concession in the explanatory notes to the consolidated financial statements); in contrast, no significant interruptions of the supply of drinking water were recognized during the year;
- climate change risk posed by rising temperatures and heat waves that could impact operations; to address this risk, the Group invested € 0.6 million in cooling systems for its facilities (air conditioners, climate control systems, variable refrigerant flow or "VRF" systems, etc.).
- risk related to the health and safety of its own work force with respect to accidents and work-related illnesses; for this risk, the Group has invested in workplace safety in the plants of Eco+Eco's “Ricicla” area. These investments of € 0.2 million are reflected in the consolidated statement of financial position under "property, plant and equipment" (Note 8 on property, plant and equipment of the explanatory notes to the consolidated financial statements);
- risk associated with sewage sludge treatment operations, which leads to a deterioration in environmental indicators; to address this risk, the Group invested € 1 million in upgrading wastewater treatment plants to alternate-cycle operation; the investments are reflected in the consolidated statement of financial position under "service concession arrangements" (Note 6 on intangible assets, section on services under concession in the explanatory notes to the consolidated financial statements).

The updating of the double materiality assessment conducted in 2025 generally confirmed the impacts, risks, and opportunities (IRO) relevant to the Group that had emerged in the previous year. The update process also highlighted the importance of biodiversity, along with the subtopic of supplier relations, including payment practices, which expand the scope of the material topics considered by the Group.

Description of the processes to identify and assess material impacts, risks and opportunities [IRO-1]

During 2025, the Veritas Group reviewed its double materiality assessment, prepared in accordance with the *European Sustainability Reporting Standards* (ESRS) and the *Implementation Guidance on Materiality Assessment (IG1)* published by the Efrag to ensure a concrete, transparent and compliant methodological approach.

The objective was to remap and assess the material topics both in terms of the impacts generated by the Group on the environment, people and society (impact materiality), and in relation to the potential effects of the environmental, social and governance factors on the Group's ability to generate value in the short, medium and long term (financial materiality) pursuant to the stakeholder engagement conducted with the shareholder mayors. The double materiality assessment was divided into four main phases:
- understanding the context;
- identifying the impacts, risks and opportunities (IRO);
- assessing the impacts, risks and opportunities (IRO);
- consolidating the results and determining the materiality.

Understanding the context

In 2025, the Group refined its double materiality process further, perfecting the methodology to enable a more precise and comprehensive assessment of environmental, social, and governance impacts and of the sustainability risks and opportunities. The detailed examination of its activities, business relationships and the geographical, regulatory and socio-economic context in which the Veritas Group operates was revised and validated. To this end, internal sources were analyzed and the regulatory and legislative aspects of the industry were considered, with the aim of acquiring an integrated and systemic understanding of the internal and external dynamics that characterize the Group's operations, taking into account the main categories of services offered, the areas and locations where the Group operates and the strategic relationships along the entire supply chain as well as dependencies on natural or human and/or social resources.

When identifying and assessing impacts, the Group pays particular attention to areas and activities with a higher risk of negative impacts, such as coastal and lagoon areas, plants with a greater environmental footprint, and critical business relationships along the value chain, in line with the value chain mapping and priorities determined through stakeholder engagement.

A central element was first mapping the Group's value chain, which was analyzed in relation to the three main areas of activity - the waste management service, the water service and local public services.

In addition, scenario analysis was used to identify and subsequently assess climate-related risks and opportunities; for details, see the section on ESRS E1, SBM-3. The recommendations of the *Taskforce on Climate-related Financial Disclosure* (TCFD) and the European Taxonomy Regulation, with the related delegated implementing deeds, were considered additional elements of the context.

During 2024, the Veritas Group organized stakeholder engagement events to gain an understanding of the interests, views and perceptions on the sustainability-related impacts. The four meetings were attended by representatives of institutions, entities, the Group, students, persons with disabilities and suppliers. This first phase was an essential step for identifying the impacts, risks and opportunities associated with the Group through its direct and indirect business relationships in the upstream and/or downstream value chain.

Subsequently, to further explore the issues that had emerged and strengthen the relations with key stakeholders, the Group initiated specific discussions with shareholder mayors in 2025. This engagement revealed the Veritas Group's shared vision as a strategic partner in planning the region's energy, environmental, and social future.

More details on stakeholder engagement methods are provided in the section on SBM-2.

The results of the stakeholder engagement in 2025 highlighted the following topics as particularly significant, and they are reflected in the Group's materiality assessment:

- *Energy efficiency and transition* – This is identified as the top priority across the board. It is not only an environmental goal, but also a key driver of the economic resilience of municipal budgets.
- *Development of the resource cycle* – This constitutes the core of the business identity in the relationship between the local community and the Veritas Group. The significance of this topic reflects the strategic shift from a "waste management" model to one of "material regeneration," consolidating the circular economy as an industrial pillar of the partnership.
- *Social cohesion and local welfare* – The defense of community safety. It encompasses all measures intended to protect the rights of vulnerable groups, ensuring public health and the safety of residents through the efficient and inclusive management of local services.
- *Climate resilience and natural capital* – This is the challenge of the future. This area is of critical importance, particularly for coastal and lagoon regions, where protecting biodiversity and adapting to climate risks are considered necessary investments for safeguarding the landscape heritage and related socio-economic activities (tourism and agriculture).

Identification of impacts, risks and opportunities ("IRO")

Based on the information emerging from the context assessment, the Group identified, for each ESRS standard, the actual and potential, negative and positive impacts that its activities or business relationships can produce on the environment, the economy and people, including on human rights and, in parallel, the risks and opportunities arising from external factors that can positively or negatively influence the organization's financial performance, financial position or ability to generate value over time. This has allowed us to come up with a preliminary, structured list of impacts, risks and opportunities deemed potentially material, as a starting point for the subsequent assessment and prioritization phases.

Assessment of impacts, risks and opportunities (IROs)

The double materiality assessment incorporates the main sustainability impacts and risks, helping to define the Group’s overall risk profile and related business plans. The opportunities are incorporated into strategic planning and the *Business Plan*, and guide investments and growth initiatives.

The preliminary assessment of impacts, risks and opportunities was begun by the Veritas Group's responsible personnel and by members of the sustainability, environment and safety office, assisted by representatives of the subsidiaries. The assessment results were submitted to the sustainability working group and analyzed in depth by the general management. After it was presented to the Group Committee, on May 20, 2026 the Board of Directors examined and formally approved the double materiality assessment, confirming its validity for the purposes of sustainability reporting in accordance with the ESRS.

For each actual and potential, negative and positive impact, the materiality was assessed based on severity and the probability of occurrence. The severity was calculated as the average of three factors: scale, scope and irremediable character of the impact. The combination of severity and probability enabled defining the overall materiality level of the impact. For risks and opportunities, the magnitude was assessed, understood as the combination of the potential scale of the financial effects and the probability of occurrence.

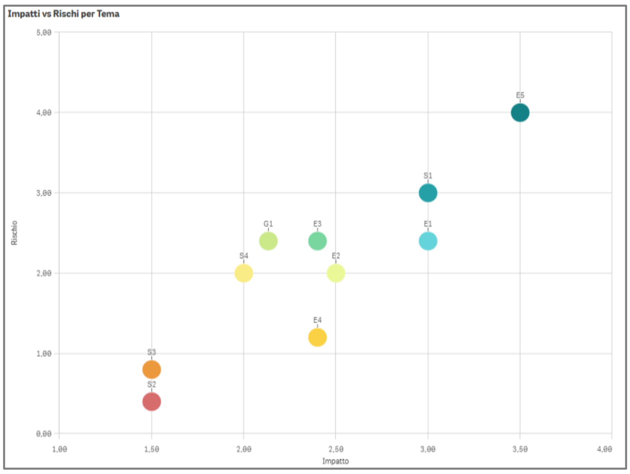
Consolidating the results and determining the materiality

Impacts, risks and opportunities are assessed according to the probability of occurrence in the short, medium and long term, as mentioned above. Each impact, risk and opportunity has three materiality measures, and the one with the highest probability was taken for the purpose of classifying the impacts, risks and opportunities.

During the assessment process, the Group mapped the significant impacts and dependencies to the resulting risks and opportunities in terms of their effects on financial performance and on the ability to generate value over time, as shown in the double materiality matrix presented alongside, which cross-references, for each ESRS topic, the impacts with the related risks and opportunities.

All sustainability topics exceeding the materiality threshold are explained in this Veritas Group Sustainability Report. For a detailed description of the material impacts, risks and opportunities, see the section on SBM-3.

The threshold below which impacts, risks and opportunities are deemed non-material is 2; the materiality threshold was defined in this way to ensure that the information disclosed is meaningful for stakeholders and accurately represents the Veritas Group's impact on the economic, environmental and social context.



Disclosure requirements in ESRS covered by the undertaking's sustainability statement [IRO-2]

disclosure requirement	document reference and notes
ESRS 2 Basis for preparation	
BP-1 General basis for preparation of sustainability statements	p. 40
BP-2 Disclosures in relation to specific circumstances	pp. 40-41
ESRS 2 Governance	
ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies	pp. 41-46
ESRS 2 GOV-2 Information provided to the undertaking's administrative, management and supervisory bodies and sustainability matters addressed by them	p. 47
ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	p. 47
ESRS 2 GOV-4 Statement on due diligence	p. 48
ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting	pp. 48-50
ESRS 2 Strategy	
SBM-1 Strategy, business model and value chain	pp. 50-54
SBM-2 Interests and views of stakeholders	pp. 54-57
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 57-61
ESRS 2 Managing impact risks and opportunities	
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	pp. 61-63
IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	pp. 64-67
European Taxonomy	
Information relating to Article 8 of Regulation (EU) 2020/852 (Taxonomy)	pp. 68-80
ESRS E1 Climate change	
ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	p. 47
E1-1 Transition plan for climate change mitigation	pp. 81-82
E1-SBM-3 Relevant impacts, risks and opportunities and their interaction with the strategy and business model	pp. 82-84
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to the climate	pp. 61-63
E1-2 Policies related to climate change mitigation and adaptation	pp. 84-87
E1-3 Actions and resources in relation to climate change policies	p. 87
E1-4 Targets related to climate change mitigation and adaptation	pp. 87-89
E1-5 Energy consumption and mix	pp. 89-90
E1-6 Gross Scopes 1, 2, 3 and total GHG emissions	pp. 91-95
ESRS E2 Pollution	
IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	pp. 61-63
E2-1 Policies related to pollution	pp. 95-98
E2-2 Actions and resources related to pollution	p. 98
E2-3 Targets related to pollution	pp. 98-99
E2-4 Pollution of air, water and soil	pp. 99-102
E2-6 Potential financial effects from pollution-related risks and opportunities	p. 102
ESRS E3 Water and Marine Resources	
IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	pp. 61-63
E3-1 Policies related to marine and water resources	pp. 103-105
E3-2 Actions and resources related to water and marine resources	pp. 105-106
E3-3 Targets related to water and marine resources	p. 106
E3-4 Water consumption	pp. 106-107
ESRS E4 Biodiversity	
E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	p. 108
S4-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 108-111
IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	pp. 111-112
E4-2 Policies related to biodiversity and ecosystems	pp. 112-113
E4-3 Actions and resources related to biodiversity and ecosystems	pp. 114-115
E4-4 Targets related to biodiversity and ecosystems	pp. 115-116
ESRS E5 Resource Use and Circular Economy	
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and the circular economy	pp. 61-63
E5-1 Policies related to resource use and circular economy	pp. 117-119
E5-2 Actions and resources related to resource use and circular economy	pp. 119-120
E5-3 Targets related to resource use and circular economy	pp. 120-122
E5-5 Resource outflows	pp. 122-130
ESRS S1 Own Workforce	
S1-SBM-2 Interests and views of stakeholders	pp. 54-57
S1-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 132-133
S1-1 Policies related to own workforce	pp. 133-136
S1-2 Processes for engaging with own workers and workers' representatives about impacts	pp. 136-137
S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	p. 137
S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions	pp. 138-140
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	pp. 140-141
S1-6 Characteristics of the undertaking's employees	pp. 141-142
S1-7 Characteristics of non-employee workers in the undertaking's own workforce	pp. 142-143
S1-8 Collective bargaining coverage and social dialogue	p. 143
S1-9 Diversity metrics	pp. 143-144
S1-11 Social protection	p. 144
S1-12 Persons with disabilities	pp. 144-145
S1-13 Training and skills development metrics	pp. 145-146
S1-14 Health and safety metrics	p. 147
S1-15 Work-life balance metrics	pp. 147-148
S1-16 Compensation metrics (pay gap and total compensation)	p. 148
S1-17 Incidents, complaints and severe human rights impacts	pp. 148-149
ESRS S4 Consumers and End-users	
S4-SBM-2 Interests and views of stakeholders	pp. 54-57
S4-SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 149-150

disclosure requirement	document reference and notes
ESRS S4 Consumers and End-users	
S4-1 Policies related to consumer and end-users	pp. 150-151
S4-2 Policies for engaging with consumers and end-users about impacts	pp. 151-152
S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	pp. 152-153
S4-4 Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities relating to consumers and end-users and effectiveness of those actions and approaches	pp. 153-154
S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 154
ESRS G1 Business conduct	
GOV-1 The role of the administrative, supervisory and management bodies	pp. 41-46
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	pp. 61-63
G1-1 Corporate culture and business conduct policies	pp. 155-163
G1-2 Management of relationships with suppliers	pp. 163-164
G1-3 Prevention and detection of corruption and bribery	p. 164-165
G1-4 Confirmed incidents of corruption or bribery	p. 165
G1-6 Payment practices	p. 165

List of information referred to in the cross-cutting and topical principles originating from other EU legislative acts

disclosure requirement and corresponding information		reference document and notes
ESRS 2 GOV-1 Board gender diversity, paragraph 21, letter d)		p. 42
SFDR reference	Annex I, Table 1, Ind. n. 13	
Benchmark regulation reference	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-1 Percentage of independent Board members, paragraph 21, letter e)		p. 42
Benchmark regulation reference	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Due diligence statement, paragraph 30		p. 48
SFDR reference	Annex I, Table 3, Ind. n. 10	
ESRS 2 SBM-1 Involvement of activities related to activities in the fossil fuel sector, paragraph 40, letter d), point i		Not applicable
SFDR reference	Annex I, Table 1, Ind. n. 4	
Pillar 3 reference	Art. 449 bis of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	
Benchmark regulation reference	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement of activities related to the production of chemicals, paragraph 40, letter d), point (ii)		Not applicable
SFDR reference	Annex I, Table 2, Indicator 9	
reference regulation on indexes	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Participation in activities related to controversial weapons, paragraph 40, letter d), point (iii)		Not applicable
SFDR reference	Annex I, Table 1, Indicator 14	
reference regulation on indexes	Article 12, paragraph 1, of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40, letter d), point (iv)		Not applicable
reference regulation on indexes	Article 12, paragraph 1, of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14		pp. 81-82
EU climate regulatory reference	Article 2, paragraph 1 of Regulation (EU) 2021/1119	
ESRS E1-1 Undertakings excluded from Paris-aligned benchmarks, paragraph 16, letter g)		p. 81
Pillar 3 reference	Art. 449 bis of Regulation (EU) n. 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book - Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	
reference regulation on indexes	Article 12, paragraph 1, points a (d) to (g), and paragraph 2, of Delegated Regulation (EU) 2020/1818	
ESRS E1-4 GHG emission reduction targets, paragraph 34		pp. 88-89
SFDR reference	Annex I, Table 2, Indicator 4	
Pillar 3 reference	Article 449 bis of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book - Indicators of potential climate change transition risk: alignment metrics	
reference regulation on indexes	Article 6 of Delegated Regulation (EU) 2020/1818	
ESRS E1-5 Energy consumption from fossil fuels disaggregated by source (only high climate impact sectors), paragraph 38		p. 90
SFDR reference	Annex I, Table 1, indicator Annex 5 and I, Table 2, indicator 5	
ESRS E1-5 Energy consumption and mix, paragraph 37		p. 90
SFDR reference	Annex I, Table 1, Indicator 5	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43		p. 90
SFDR reference	Annex I, Table 1, Indicator 6	
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions, paragraph 44		p. 91
SFDR reference	Annex I, Table 1, Indicators 1 and 2	
Pillar 3 reference	Article 449 bis of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book - Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	
reference regulation on indexes	Article 5, paragraph 1, Article 6 and Article 8, paragraph 1 of Delegated Regulation (EU) 2020/1818	
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55		p. 95
SFDR reference	Annex I, Table 1, Indicator 3	
Pillar 3 reference	Article 449bis of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Indicators of potential climate change transition risk: alignment metrics	
reference regulation on indexes	Article 8, paragraph 1, of Delegated Regulation (EU) 2020/1818	
ESRS E1-7 GHG removals and carbon credits, paragraph 56		Immaterial
EU climate regulatory reference	Article 2, paragraph 1 of Regulation (EU) 2021/1119	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66		Phase in
reference regulation on indexes	Annex II of Delegated Regulation (EU) 2020/1818 and Delegated Regulation (EU) 2020/1816	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66, letter a) **ESRS E1-9 Location of significant assets at material physical risk, paragraph 66, letter (c)**		Phase in
Pillar 3 reference	Article 449bis of Regulation (EU) 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book - Indicators of potential physical risk related to climate change: exposures subject to physical risk	

disclosure requirement and corresponding information		reference document and notes
ESRS E1-9 Breakdown of the carrying amount of its real estate assets by energy-efficiency classes, paragraph 67, letter c)		Phase in
Pillar 3 reference	Article 449bis of Regulation (EU) 575/2013; point 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking portfolio - Indicators of potential climate change-related transition risk: property loans backed by assets - Energy efficiency of collateral	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69		Phase in
reference regulation on indexes	Annex II to Delegated Regulation (EU) 2020/1818	
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR (European Pollutant Release and Transfer Register) Regulation emitted to air, water and soil, paragraph 28		pp. 100-102
SFDR reference	Annex I, Table 1, Indicator 8; Annex I, Table 2, indicator 2; Annex 1, Table 2, indicator 1; Annex I, Table 2, indicator 3	
ESRS E3-1 Water and marine resources, paragraph 9		pp. 103-105
SFDR reference	Annex I, Table 2, Indicator 7	
ESRS E3-1 Dedicated policy, paragraph 13		pp. 103-105
SFDR reference	Annex I, Table 2, Indicator 8	
ESRS E3-1 Sustainable oceans and seas, paragraph 14		pp. 103-105
SFDR reference	Annex I, Table 2, Indicator 12	
ESRS E3-4 Total water recycled and reused, paragraph 28, letter (c)		p. 107
SFDR reference	Annex I, Table 2, Indicator 6.2	
ESRS E3-4 Total water consumption in m³ per net revenue from own operations, paragraph 29		p. 107
SFDR reference	Annex I, Table 2, Indicator 6.1	
ESRS 2 SBM-3 - E4 paragraph 16, letter a), point i)		pp. 108-111
SFDR reference	Annex I, Table 1, Indicator 7	
ESRS 2 SBM-3 - E4 paragraph 16, letter b)		pp. 108-111
SFDR reference	Annex I, Table 2, Indicator 10	
ESRS 2 SBM-3 - E4 paragraph 16, letter c)		pp. 108-111
SFDR reference	Annex I, Table 2, Indicator 14	
ESRS E4-2 Sustainable land and agricultural policies and practices, paragraph 24, letter (b)		pp. 112-113
SFDR reference	Annex I, Table 2, Indicator 11	
ESRS E4-2 Sustainable oceans / seas policies or practices, paragraph 24, letter (c)		pp. 112-113
SFDR reference	Annex I, Table 2, Indicator 12	
ESRS E4-2 Policies to address deforestation, paragraph 24, letter d)		pp. 112-113
SFDR reference	Annex I, Table 2, Indicator 15	
ESRS E5-5 Non-recycled waste, paragraph 37, letter d)		pp. 124-130
SFDR reference	Annex I, Table 2, Indicator 13	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39		pp. 123-124
SFDR reference	Annex I, Table 1, Indicator 9	
ESRS 2 - SBM3 - S1 Forced labor risk, paragraph 14, letter f)		p. 133
SFDR reference	Annex I, Table 3, Indicator 13	
ESRS 2 - SBM3 - S1 Child labor risk, paragraph 14, letter g)		p. 133
SFDR reference	Annex I, Table 3, Indicator n. 12	
ESRS S1-1 Human rights policy commitments, paragraph 20		pp. 133-136
SFDR reference	Annex I, Table 3, Indicator n. 9 and Annex I, Table 1, Indicator 11	
ESRS S1-1 Due diligence policies on issues addressed by fundamental International Labor Organization conventions 1 to 8, paragraph 21		pp. 133-136
reference regulation on indexes	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 Procedures and measures to prevent human trafficking, paragraph 22		pp. 133-136
SFDR reference	Annex I, Table 3, Indicator 11	
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23		pp. 134-135
SFDR reference	Annex I, Table 3, Indicator 1	
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32, letter c)		p. 137
SFDR reference	Annex I, Table 3, Indicator 5	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88, letters (b) and (c)		p. 147
SFDR reference	Annex I, Table 3, Indicator 2	
reference regulation on indexes	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88, letter e)		p. 147
SFDR reference	Annex I, Table 3, Indicator 3	
ESRS S1-16 Unadjusted gender pay gap, paragraph 97, letter a)		p. 148
SFDR reference	Annex I, Table 1, Indicator 12	
reference regulation on indexes	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio, paragraph 97, letter b)		p. 148
SFDR reference	Annex I, Table 3, Indicator 8	
ESRS S1-17 Incidents of discrimination, paragraph 103, letter a)		p. 148-149
SFDR reference	Annex I, Table 3, Indicator 7	
ESRS S1-17 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 104, letter a)		p. 149
SFDR reference	Annex I, Table 1, Indicator 10 and Annex I, Table 3, Indicator 14	
reference regulation on indexes	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12 (1) of Delegated Regulation (EU) 2020/1818	
ESRS 2 SBM-3 - S2 Significant risk of child labor or forced labor in the labor chain, paragraph 11, letter b)		Immaterial
SFDR reference	Annex I, Table 3, Indicators 12 and 13	
ESRS S2-1 Human rights policy commitments, paragraph 17		Immaterial
SFDR reference	Annex I, Table 3, Indicator n. 9 and Annex I, Table 1, Indicator 11	
ESRS S2-1 Policies related to value chain workers, paragraph 18		Immaterial
SFDR reference	Annex I, Table 3, Indicators 11 and 4	
ESRS S2-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19		Immaterial
SFDR reference	Annex I, Table 1, Indicator 10	
reference regulation on indexes	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12 (1) of Delegated Regulation (EU) 2020/1818	

disclosure requirement and corresponding information		reference document and notes
ESRS S2-1 Due diligence policies on issues addressed by fundamental International Labor Organization conventions 1 to 8, paragraph 19		Immaterial
reference regulation on indexes	Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36		Immaterial
SFDR reference	Annex I, Table 3, Indicator 14	
ESRS S3-1 Human rights policy commitments paragraph 16		Immaterial
SFDR reference	Annex I, Table 3, Indicator n. 9 and Annex I, Table 1, Indicator 11	
ESRS S3-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights, International Labor Organization (ILO) principles, and OECD Guidelines, paragraph 17		Immaterial
SFDR reference	Annex I, Table 1, Indicator 10	
reference regulation on indexes	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12 (1) of Delegated Regulation (EU) 2020/1818	
ESRS S3-4 Human rights issues and incidents, paragraph 36		Immaterial
SFDR reference	Annex I, Table 3, Indicator 14	
ESRS S4-1 Policies related to consumers and end-users, paragraph 16		pp. 150-151
SFDR reference	Annex I, Table 3, Indicator n. 9 and Annex I, Table 1, Indicator 11	
ESRS S4-1 Non-compliance with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17		p. 150
SFDR reference	Annex I, Table 1, Indicator 10	
reference regulation on indexes	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12 (1) of Delegated Regulation (EU) 2020/1818	
ESRS S4-4 Human rights issues and incidents, paragraph 35		p. 153
SFDR reference	Annex I, Table 3, Indicator 14	
ESRS G1-1 United Nations Convention against Corruption, paragraph 10, letter b)		pp. 157-158
SFDR reference	Annex I, Table 3, Indicator 15	
ESRS G1-1 Protection of whistleblowers, paragraph 10, letter d)		pp. 160-161
SFDR reference	Annex I, Table 3, Indicator 6	
ESRS G1-4 Fines for violations of the anti-corruption and anti-bribery laws, paragraph 24, letter a)		p. 165
SFDR reference	Annex I, Table 3, Indicator 17	
reference regulation on indexes	Annex II to Delegated Regulation (EU) 2020/1816	
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24, letter b)		pp. 155-160
SFDR reference	Annex I, Table 3, Indicator 16	

SFDR reference: Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317 of Dec. 9, 2019, page 1). | **Pillar 3 reference**: Regulation (EU) 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176 of June 27, 2013, page 1). | **Benchmark Regulation Reference**: Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016 on indexes used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds, and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) 596/2014 (OJ L 171, June 29, 2016, page 1). | **EU climate law reference**: Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for achieving climate neutrality, and amending Regulation (EC) No 401/2009 and Regulation (EU) 2018/1999 ('European Climate Law') (OJ L 243, July 9, 2021, page 1). | **Commission Delegated Regulation (EU) 2020/1816**: Commission Delegated Regulation (EU) 2020/1816 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, Dec. 3, 2020, page 1). | **Commission Implementing Regulation (EU) 2022/2453**: Commission Implementing Regulation (EU) 2022/2453 of November 30, 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, Dec. 19, 2022, page 1) | **Delegated Regulation (EU) 2020/1818**: Commission Delegated Regulation (EU) 2020/1818 of July 17, 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks.

Minimum disclosure requirements – MDR-P Policies
Policies adopted to manage material sustainability

Below is a summary table of the policies adopted by the Group, the detailed contents of which are explained in the individual ESRS standards reported. For each ESRS topic, the policies currently in force are highlighted in grey in the table.

policies	ESRS E1	ESRS E2	ESRS E3	ESRS E4	ESRS E5	ESRS S1	ESRS S4	ESRS G1
Strategy								
Code of Ethics								
Management system regulations and procedures								
Integrated management system policies								
Waste management services policy								
Integrated water service management policy								
Cemetery services management policy								
Biodiversity management strategy and policy								
Integrated water service charter								
Integrated municipal waste management service charter								
Cemetery services charter								
Municipal water cycle document - traceability of water resources								
Municipal waste supply chains traceability documents								
Disciplinary code								
Supplier Code of Conduct								
Anti-corruption policy and anti-corruption management systems								
Model 231/01								
Three-year plan for corruption prevention and transparency								
Diversity policies								

Environmental information

Disclosures on sustainable activities pursuant to EU Regulation 2020/852

Introduction

As part of the Sustainable Finance Action Plan, the European Commission introduced the Taxonomy (Regulation (EU) 2020/852), a standard system for classifying economic activities designed to establish objective criteria for assessing their environmental sustainability. This tool is designed to steer companies toward increasingly sustainable business models, while promoting the allocation of capital to responsible investments and fostering greater transparency in the reporting of environmental and climate-related information. The Taxonomy identifies six environmental objectives, against which the sustainability of economic activities is assessed:
- climate change mitigation (CCM);
- climate change adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PCC);
- protection and restoration of biodiversity and ecosystems (BIO).

Under the Regulation, an economic activity may be classified as "environmentally sustainable" (i.e., aligned with the Taxonomy) if it meets all the following conditions:
- *contributes substantially* to one or more of the six environmental objectives;
- *does not significantly harm* ("DNSH") any of the other five environmental objectives;
- is carried out with the complies with the *minimum safeguards*, which ensure that companies recognize the importance of human rights and international standards in the management of their organization and throughout their supply chain.

If the activity is consistent with the description of the Regulation, but does not meet the associated technical screening criteria or the conditions stated above, it will be considered eligible, but not aligned. The regulatory framework for the European Taxonomy is structured around the following set of regulations:
- *Regulation (EU) 2020/852*, which establishes the taxonomy system for classifying environmentally sustainable economic activities;
- *Delegated Regulation (EU) 2021/2139*, which establishes the list of eligible activities and the related technical screening criteria in relation to the first two climate objectives *(Climate Delegated Act*). The regulation was subsequently amended by *Delegated Regulation (EU) 2022/1214 (Complementary Climate Delegated Act*) and, subsequently, by *Delegated Regulation (EU) 2023/2485*;
- *Delegated Regulation (EU) 2021/2178*, which specifies the disclosure and reporting obligations regarding quantitative and qualitative information (*Disclosures Delegated Act*);
- *Delegated Regulation (EU) 2023/2486*, which sets out the list of activities and technical screening criteria for the remaining four environmental objectives;
- *Delegated Regulation (EU) 2026/73*, known as the *Omnibus Delegated Act*, which introduces a series of technical and procedural simplifications to improve the clarity of the regulatory framework's application, while maintaining an adequate level of transparency in information disclosure.

Specifically, the *Omnibus Delegated* Act provides for:
- the introduction of new, simplified reporting templates;
- simplification of the requirements related to determining whether an economic activity causes no significant harm to pollution prevention and control (PCC);
- the possibility to exclude economic activities deemed immaterial from the assessment.

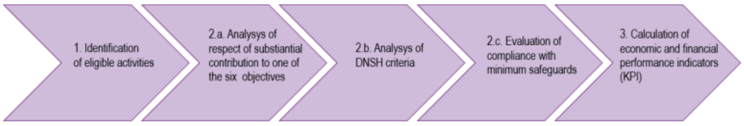
The Regulation allows issuers to choose whether to apply its requirements as early as the 2025 reporting cycle or, alternatively, to postpone their adoption to the following year. The Veritas

Group decided to apply the *Omnibus Delegated Act*; however, it decided not to use the voluntary option regarding the 10% materiality threshold in the analysis of assets, and to maintain an approach consistent with that adopted in the previous year.

Procedure for evaluating the alignment of the Group's activities to the EU Taxonomy

In order to determine the eligibility and subsequent alignment of its activities, the Veritas Group followed a process consisting of the following steps:

Identification of aligned activities



Identification of eligible activities

Based on the analysis, the Veritas Group identified 17 activities eligible for the **CCM**, **WTR**, **CE** and **PPC** objectives, shown in the table below by activity category[1].

Activity category	code[2]	eligible activities
Water activities[3]	**Objective: climate change mitigation (CCM)**	
	CCM 5.1	Construction, expansion and operation of water collection, treatment and supply systems
	CCM 5.3	Construction, expansion, and operation of wastewater collection and treatment systems
	Objective: Sustainable use and protection of water and marine resources (WTR)	
	WTR 2.1	Water supply
	WTR 2.2	Municipal wastewater treatment
Activities related to waste management and decontamination	**Objective: climate change mitigation (CCM)**	
	CCM 5.5	Collection and transportation of non-hazardous waste in source-separated fractions
	CCM 5.9	Recovery of materials from non-hazardous waste
	Objective: transition to a circular economy (CE)	
	CE 2.3	Collection and transportation of non-hazardous and hazardous waste
	CE 2.7	Sorting and recovery of materials from non-hazardous waste
	Objective: pollution prevention and control (PPC)	
	PPC 2.1	Hazardous waste collection and transportation
	PPC 2.2	Hazardous waste treatment
	PPC 2.4	Remediation of contaminated sites and areas
Energy activities	**Objective: climate change mitigation (CCM)**	
	CCM 4.1	Power generation with solar photovoltaic technology
	CCM 4.15	Distribution of district heating/cooling
	CCM 4.16	Installation and operation of electric heat pumps
Corporate vehicle and asset management	**Objective: climate change mitigation (CCM)**	
	CCM 6.5	Transportation by motorcycles, cars and light commercial vehicles
	CCM 7.2	Refurbishment of existing buildings
	CCM 7.4	Installation, maintenance, and repair of electric vehicle charging stations in buildings (and in parking spaces pertaining to buildings)

[1] The categories of activities were defined internally by the Veritas Group.
[2] The code refers to the objective and numbering of activities defined in the delegated acts of the Regulations.
[3] The scope of economic activities considered in the eligibility analysis under the EU Taxonomy was updated in 2025 from that of the prior year. Only the following economic activities were included: 5.1 – Construction, expansion, and operation of water collection, treatment, and distribution systems (CCM) and 5.3 – Construction, expansion, and operation of wastewater collection and treatment systems (CCM). In 2024, the analysis had included activities 5.2 (Renovation of water collection, treatment, and supply systems) and 5.4 (Renovation of wastewater collection and treatment systems). The change presents more accurately the activities actually carried out by the Group, which is also a provider of integrated water services, specifically in the areas of water supply, sewerage, and wastewater treatment, corresponding to activities 5.1 and 5.3.

Following the publication of the *Environmental Delegated Act*, the eligibility assessment conducted by the organization showed that some of the Group's activities may be considered eligible for multiple objectives. Specifically:

- 2.1 *Water supply* of the WTR objective is compatible with *5.1 Construction, expansion and operation of water collection, treatment and supply systems* and *5.2 Renovation of water collection, treatment and supply systems* of the CCM objective;
- *2.2 Municipal wastewater treatment* of the WTR objective is compatible with *5.3 Construction, expansion and operation of wastewater collection and treatment systems* and *5.4 Renovation of wastewater collection and treatment systems* of the CCM objective;
- 5.5 *Collection and transportation of non-hazardous waste in source-separated fractions* of the CCM objective is compatible with *2.3 Collection and transportation of non-hazardous and hazardous waste* of the EC objective;
- 5.9 *Recovery of materials from non-hazardous waste* of the CCM objective is compatible with *2.7 Sorting and recovery of materials from non-hazardous waste* of the EC objective.

In keeping with the previous years, the Group has decided to keep climate change mitigation (CCM) as a main objective.

In addition, the description of EC objective *2.3 Non-hazardous and hazardous waste collection and transportation* is compatible with pollution prevention and control (PPC) activity *2.1 Hazardous waste collection and transportation*. In this case, the Group decided to keep pollution prevention and control as a main objective.

Identification of aligned activities

For each of the activities identified as eligible, the company assessed its compliance with the substantial contribution criteria and DNSH criteria.

In the previous year, no aligned economic activities had been identified, in line with the decision to adopt a prudent approach. During the year under review, the Veritas Group completed a structured process aimed at collecting and preparing the documentation necessary for alignment, which made it possible, in 2025, to classify the following economic activities as aligned:

- CCM 4.1 Power generation with solar photovoltaic technology;
- CCM 5.1 Construction, expansion and operation of water collection, treatment and supply systems;
- CCM 5.3 Construction, expansion, and operation of wastewater collection and treatment systems;
- CCM 5.5 Collection and transportation of non-hazardous waste in source-separated fractions;
- CCM 6.5 Transportation by motorcycles, cars and light commercial vehicles.

With respect to the "does no significant harm" (DNSH) assessment for the climate change adaptation objective (Annex A), the Veritas Group, together with other operators of the Viveracqua scarl Consortium and with the assistance of the Euro-Mediterranean Center on Climate Change (CMCC) Foundation, conducted a climate risk assessment in order to define the potential repercussions of the climate change underway and implement mitigation and adaptation strategies, in accordance with Annex A of the Taxonomy Regulation.

Based on the assessment conducted, the organization has:

- developed specific climate indicators, identifying and analyzing major high-impact events that have affected its activities (such as heat waves and flooding);
- used these indicators to assist climate risk management for the operators belonging to the consortium.

Currently, the Group has the Dataclime platform, which offers advanced climate variables and indicators. This platform, based on three Intergovernmental Panel on Climate Change (IPCC) scenarios, enables developing predictive models to identify climate change risks in the areas where the Veritas Group operates. With this tool, the Group can assess its assets and estimate the costs needed to make its infrastructures more resilient.

Furthermore, in 2025, with respect to the adaptation criteria set forth in the European Taxonomy, the Veritas Group conducted a climate risk assessment of the eligible economic activities, in accordance with Regulation (EU) 2020/852 and the CSRD. The assessment was conducted using a methodological approach that takes into account climate hazards, exposure, and the vulnerability of business systems.

The assessments, based on internationally recognized climate scenarios (Representative Concentration Pathways or "RCP" 4.5 and RCP 8.5), have highlighted growing risks for the area, especially related to extreme events, rising temperatures, precipitation variability, droughts, water stress, sea-level rise, and saltwater intrusion, with potential impacts on service continuity and on the infrastructure managed.

The results indicate that the main material risks regard the integrated water service and wastewater management, particularly in connection with water availability and extreme weather events.

For further details, see the climate change section [ESRS-E1], specifically regarding the material impacts, risks and opportunities and their interaction with strategy and business model [SBM-3]. Listed below are the evaluations of the substantial contribution criteria and DNSH criteria for the activities found to be aligned following the analysis conducted by the Veritas Group.

Alignment with CCM objective

- *Activity 5.1 Construction, expansion and operation of water collection, treatment and supply systems*

  Substantial contribution

  Veritas gives a substantial contribution to the climate change mitigation objective. The water supply system developed by the company is currently capable of ensuring the distribution of drinking water to users while maintaining an average energy consumption of less than 0.5 kWh/m^3—specifically, an average of 0.09 kWh/m^3[4].

  DNSH

  Concerning the DNSH criteria, Activity 5.1 calls for compliance with the general requirements related to three environmental objectives: climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), and protection and restoration of biodiversity and ecosystems (BIO).

  In relation to the CCA objective and Annex A, the Veritas Group assessed the risks associated with climate change and its effects on infrastructure and operations, in order to ensure effective actions for adapting the assets to the identified risks[5].

  Concerning the WTR objective and Annex B, the Veritas Group operates in compliance with the national regulations on water resource protection. Proper water resource management is ensured by the supervision carried out by ARPAV, which conducts assessments to preserve water quality and prevent water stress, with the goal of achieving a good state of the water and good ecological potential.

  Finally, with regard to the BIO objective and Annex D of the Regulation, the Veritas Group operates in compliance with the national regulations on the protection of biodiversity and ecosystems. The Group evaluates the individual facilities and, as needed, performs an Environmental Impact Assessment (EIA). Regardless of the plant's location, all requirements are set forth by the authorizations. Unless deemed necessary, no further assessments are conducted, as they are not required by the regulations. If the facility and parts of the network are located in sensitive areas in terms of biodiversity, all necessary assessments are conducted, including, if necessary, an EIA, and mitigation measures are implemented to protect habitats and protected species. In 2025, the company conducted an in-depth analysis of its sites and their proximity to the protected areas identified by the Natura 2000 Network. For

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[4] This calculation is the ratio of the net energy consumption for the extraction and treatment to the square meters of water ready for distribution.

[5] For more detailed information on the climate risk analysis methodology, see the preceding section.

more information, see the section on Biodiversity [ESRS E4] herein.

- *Activity 5.3 Construction, expansion, and operation of wastewater collection and treatment systems*

Substantial contribution

Veritas makes a substantial contribution to the objective of mitigating climate change through some of its wastewater treatment plants. In fact, according to the analysis conducted by the company, some wastewater treatment plants have a per capita equivalent (p.c.e.) net energy consumption below the limits set in the Regulation.

DNSH

With regard to the DNSH criteria, Activity 5.3 calls for compliance with the general requirements related to four environmental objectives: climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), pollution prevention and control (PPC), and protection and restoration of biodiversity and ecosystems (BIO). As for the CCA, WTR, and BIO objectives and the provisions of Annexes A, B, and D, the same considerations as those for the previous economic activity apply.

With respect to the PPC objective, the discharges into the receiving waters meet the requirements of Council Directive 91/271/EEC and the Italian regulations on the maximum allowable levels of pollutants. Council Directive 86/278/EEC does not apply because the sewage sludge is not used for agricultural purposes. Nevertheless, the sludge is treated in accordance with Italian regulations, and Veritas has all the necessary permits for its treatment.

- *Activity 5.5 Collection and transportation of non-hazardous waste in source-separated fractions*

Substantial contribution

Veritas, Asvo, and Eco+Eco make a substantial contribution to the objective of mitigating climate change, as all the non-hazardous waste that is collected on a sorted basis and transported, sorted at the source, is directed to preparation for reuse or recycling.

DNSH

With regard to the DNSH criteria, Activity 5.5 calls for compliance with the general requirements related to two environmental objectives: climate change adaptation (CCA) and the transition to a circular economy (CE).

With regard to the CCA objective and Annex A, the same considerations as for the previous economic activities apply.

Concerning the EC objective, waste fractions collected on a sorted basis are not mixed with other waste or materials with different properties at waste storage and transfer facilities.

- *Activity 4.1 Power generation with solar photovoltaic technology*

Substantial contribution

Veritas makes a substantial contribution to the objective of mitigating climate change by generating electricity using solar photovoltaic technology.

DNSH

With regard to the DNSH criteria, Activity 4.1 calls for compliance with the general requirements related to three environmental objectives: climate change adaptation (CCA), transition to a circular economy (CE), and protection and restoration of biodiversity and ecosystems (BIO).

Concerning the CCA and BIO objectives and Annexes A and D, the same considerations as those for the previous economic activities apply.

In accordance with the EC objective, the Veritas Group assesses the supply of equipment and components that are highly durable and recyclable, and that are easy to dismantle and repurpose.

- *Activity 6.5 Transportation by motorcycles, cars and light commercial vehicles*

Substantial contribution

The Group makes a substantial contribution to the objective of mitigating climate change, as it operates M1-category vehicles (both owned and leased) that fall within the scope of Regulation (EC) 715/2007. Some of the vehicles analyzed are fully electric, with emissions of less than 50 g CO_2/km.

DNSH

With regard to the DNSH criteria, Activity 6.5 calls for compliance with the general requirements related to three environmental objectives: climate change adaptation (CCA), transition to a circular economy (CE), and pollution prevention and control (PPC). Concerning the CCA objective, the Group verified that the vehicle manufacturers[6] under review had conducted a climate risk analysis.

With respect to the PPC and CE objectives, the aligned vehicles are newly manufactured and imported, ensuring compliance with the most up-to-date European regulatory standards. They comply with emissions certification requirements, meet the thresholds set for clean light-duty vehicles, and satisfy the noise, energy efficiency, and environmental performance regulations. The vehicles also comply with the European requirements for end-of-life recyclability and recoverability, with rates of at least 85% for the reuse and recycling of the materials and 95% overall, including energy recovery. As for passenger transportation, the vehicles used are electric and powered by energy generated by solar panels, resulting in zero CO_2 emissions.

Minimum safeguards

In parallel with the analysis of the technical criteria, an analysis of the compliance with the minimum safeguards under Regulation Article 18 was carried out. This analysis followed the approach outlined in the *Final Report on Minimum Safeguards* of the *Platform on Sustainable Finance* (PSF) published in October 2022, as well as the directives stated in the European Commission's June 2023 Communication regarding "indicators of negative sustainability effects".

The PSF Regulations and Report relate to nine topics on which the Veritas Group focused its analysis:

1. human rights policies;
2. risk assessment and human rights due diligence;
3. managing human rights impacts;
4. communication and information regarding human rights issues;
5. grievance mechanisms;
6. consumer protection;
7. fight against corruption;
8. fair competition;
9. taxation.

These topics are managed with prescriptive tools, such as policies, plans, procedures, guidelines, regulations, and their management and control systems.

The Veritas Group operates in compliance with Italian human and labor rights legislation, in all its various aspects, including non-discrimination and worker health and safety, and in accordance with the anti-corruption, competition and taxation laws.

Human Rights

The Group's *Code of Ethics* lays out the core values and principles on which the organization's activities are based, and the organization undertakes to abide by it and enforce it with all its directors, employees, contractors and suppliers. It enshrines the Group's commitment to respecting individuals' rights, fairness, transparency and business efficiency. The *Code* establishes

[6] Both production companies are listed on European stock exchanges (Euronext Milan and Euronext Paris, respectively) and are therefore required to publish their sustainability reports, including their EU Taxonomy Disclosures.

certain principles of conduct, such as the timely provision of accurate information to shareholders, transparency to the market, independent selection of employees and contractors, the protection of occupational health and safety and fair staff management. Specific internal policies have been drawn up to apply these principles.

In setting and implementing policies on personnel protection and respect for human rights, the Veritas Group adheres to the principles laid down in the *Code of Ethics*: the civic dimension, understood as the set of beliefs that guide individuals' daily actions; fairness; respect for the physical person; nondiscrimination; diversity and social inclusion; working conditions and health and safety in the workplace. These principles are implemented concretely with the *personnel recruitment regulations*, the adoption of an *inclusion and diversity policy* aligned with the UNI/PdR 125:2022 standard, and the implementation of an integrated quality, environment and safety management system.

For further details regarding the Group's *Code of Ethics*, see the section on ESRS G1, G1-1.

Corruption

At an organizational level, the Group companies have adopted *Organization and Control Models pursuant to Legislative Decree 231/2001* (*231 Models*) to prevent the commission of acts for which the companies could be held liable. The 231 Models are part of an internal control and risk management system consisting of a set of rules, procedures and organizational structures. By identifying, measuring, managing, and monitoring major risks, the Group pursues sound, fair, and objective-consistent business conduct. In relation to the areas of material risk, the *231 Models* cover crimes against the individual personality, violation of occupational health and safety protection regulations, market abuse offenses, bribery and tax offenses. The Compliance Committee is responsible for monitoring the effective implementation of the *Code of Ethics* and the *231 Models*.

Consistently with the public services managed and in compliance with the current regulations and applicable international agreements, the Veritas Group has a pro-active corruption prevention policy. For this purpose, in addition to the *Code of Ethics* and *231 Models*, Veritas and Eco+Eco have management systems for corruption prevention and for transparency, with UNI ISO 37001 certifications, ensuring that the companies' efforts meet or exceed their legal obligations. Within the framework of these systems, a specific *anti-corruption policy* and the *three-year plan for corruption prevention and transparency* (subject to periodic updates) have been implemented, and the head of corruption prevention and transparency has been appointed, in accordance with the regulations.

In addition, the Group has activated a system of anonymous reporting of unlawful or irregular conduct (whistleblowing) and abides by specific legality protocols. Internal control tools, regulations and operating procedures complete the corruption prevention management system, as reported on the companies' websites in the transparency section.

For further details regarding the Group's *corruption prevention policies*, see the section on ESRS G1, G1-1.

Taxation

With respect to tax management, in addition to mitigating the risk of committing criminal tax offenses with the *231 Models*, the Veritas Group has equipped itself with a tax compliance procedure.

Fair competition

Regarding the risk of non-compliance with competition laws and regulations, the Group operates mainly the integrated water and waste management service sectors, which by their nature are non-competitive and managed through agreements. To manage procurement, the Group has adopted specific regulations and internal measures to govern the contracts of suppliers and purchases, in accordance with the Public Contracts Code for works, services and supplies. Such regulations ensure compliance with the principles of economy, effectiveness, timeliness and fairness, while following the principles of free competition, non-discrimination, equal treatment, transparency, publicity, proportionality and rotation.

Veritas' reliability, reputation, seriousness and ethics have been confirmed by the awarding, for three consecutive years, of the highest legality rating (three stars) by the Competition and Markets Authority.

For further details regarding the Group's *Code of Ethics*, see the section on ESRS G1, G1-1.

Accounting standards and contextual information

The Veritas Group has calculated the indicators for eligible and aligned economic activities required in Annex 1 of the 2021/2178 *Disclosures Delegated Act* (turnover, CapEx and OpEx), comparing the percentages to the totals generated at a Group level in the reporting period (2025).

After *Commission Delegated Regulation* (EU) 2026/73 was published in the European Union Official Journal on January 8, 2026, the Veritas Group opted to use the new definitive reporting framework for this reporting year.

The methodologies used to calculate each indicator, differentiating the numerator and denominator reporting methods, are as follows.

Turnover KPI

The turnover KPI denominator is based on 2025 financial statement data, considering only the revenues from sales and services. Therefore, the revenues from the sale of products and services were included, net of sales tax and sales refunds. The denominator of turnover for 2025 is € 538,850,676.

The numerator of the turnover KPI reflects the revenues from eligible and aligned activities, in line with Annex 1 of the *Disclosures Delegated Act*; therefore, only the revenues included in the denominator that relate to eligible and aligned economic activities were taken into account. Revenues were allocated to eligible economic activities by way of a detailed analysis of the accounting entries of the individual Group companies and of the consolidated financial statements, in order to precisely allocate the amounts extracted from the system used to the economic activities deemed eligible.

With respect to *CCM 5.5 Separate collection and transportation of non-hazardous waste in source-separated or mixed fractions intended for preparation for reuse or recycling operations*, to isolate the proportion of revenue from solely sorted waste collection, specific drivers were defined in line with the waste rate method (Mtr) defined by Arera, making it possible to exclude revenues from unsorted collection and sweeping activities.

For *CCM 5.3 Construction and operation of wastewater collection and treatment systems*, the proportion of revenue deemed aligned was recalculated on the basis of the percentage of the aligned plants.

CapEx KPI

Paragraph 1.1.2.1 of Annex 1 of the *Disclosures Delegated Act* stipulates that the denominator of the CapEx KPI should cover additions to tangible and intangible assets during the year, before depreciation and amortization, excluding fair value changes. The Veritas Group took into account increases in intangible assets with a finite life, property, plant and equipment, and right-of-use assets. The Group Capex for the denominator is € 163,105,889.

The CapEx KPI numerator was determined on the basis of a detailed analysis of the investment plan, aimed at precisely matching the CapEx to the activities identified as eligible during the assessment phase. The analysis made it possible to quantify the amounts associated with activities that generate turnover for the Group, as well as those related to the purchase of products deriving from economic activities aligned with the taxonomy and individual measures that enable target activities to achieve low carbon emissions or reduce greenhouse gas emissions.

Consistently with the information provided in the section on eligibility, the update of the scope of economic activities considered for 2025, resulting in the reallocation of the analysis from activities 5.2 and 5.4 to activities 5.1 and 5.3, led to a change in the composition of the increases reported for the purposes of the CapEx KPI. This change reflects primarily a more accurate presentation of the Group's actual operations and does not indicate a change in the underlying accounting policies.

Furthermore, compared to the previous year, the analysis was supplemented with more detailed insights on specific statement of financial position items relevant to defining CapEx as per *Disclosures Delegated Act* Annex 1. In-depth eligibility and alignment analyses were also conducted on components attributable to right-of-use assets present in the Group's statement of financial position.

OpEx KPI

To quantify the OpEx KPI, the expense items in the Group's statement of profit or loss were analyzed in detail in order to isolate the costs related to: research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment by the undertaking or third party to which activities needed to ensure the continued and effective functioning of such assets are outsourced.

The Veritas Group identified these items through a precise analysis of the accounts and cost centers used for the accounting records. Items such as reagents, fluids and utilities were excluded, as were depreciation, amortization and provisions. Following this approach, the OpEx KPI denominator was estimated as € 125,044,369.27.

The part of the denominator associated with eligible economic activities (numerator) is € 69,561,161.

To report the numerator, an extensive analysis of the expenditure related to eligible, aligned activities was conducted. Like the calculations carried out for turnover, in the case of costs referring to mixed collections, the sorted waste collection percentages and Arera drivers defined for the waste rate method (Mtr) were used for operating expenditure to exclude the part relating to unsorted dry waste collection.

In the case of operating expenses related to the shared operational functions of maintenance and technical services within the scope of the integrated water service, Arera's accounting drivers were used to allocate the expenses to the acqueduct, sewerage-purification and other activities. With respect to *CCM 5.3 Construction and operation of wastewater collection and treatment systems*, the costs were allocated by identifying the cost centers directly attributable to the Taxonomy-aligned activities.

Instead, for *CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles*, without costs directly attributable to the cost centers, the costs were allocated using percentage drivers, determined on the basis of identifying assets resulting as aligned in the CapEx KPI analysis for the reporting period, in accordance with the information available.

Comparison with previous year

Under the Delegated Regulation (EU) 2021/2178, in-scope non-financial companies must provide comparative figures from the previous year. The tables below provide details of the changes in the figures and percentages of the indicators required by the regulation. The KPI change from the previous year is not associated with a change in the accounting approach used to obtain the KPI figures and information. For any further considerations, see the eligibility analysis described in the previous paragraphs.

Reporting templates

2025

KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Climate change mitigation	Climate change adaptation	Water	Circular Economy	Pollution	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Non-assessed activities considered immaterial	Taxonomy-aligned activities in previous year (2024)	Proportion of Taxonomy-aligned activities in previous year (2024)
	currency	%	currency	%	%	%	%	%	%	%	%	%			%
Turnover	538,850,676 €	66.48%	283,953,727 €	52.70%	52.70%	0%	0%	0%	0%	0%	0%	0%	0%	– €	0%
CapEx	163,105,889 €	67.53%	52,086,235 €	31.93%	31.93%	0%	0%	0%	0%	0%	0%	0.14%	0%	– €	0%
OpEx	125,044,369 €	55.63%	24,838,302 €	19.86%	19.86%	0%	0%	0%	0%	0%	0%	0.21%	0%	– €	0%

Turnover | *2025*

Economic activity	Code	*Taxonomy-eligible KPI* Proportion of Taxonomy-eligible turnover	*Taxonomy-aligned KPI* Monetary value of turnover	*Taxonomy-aligned KPI* Proportion of Taxonomy-aligned turnover	Climate change mitigation	Climate change adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activities	Transitional activities	Proportion of Taxonomy-aligned out of total Taxonomy-eligible
		%	currency	%	%	%	%	%	%	%	A *where applicable*	T *where applicable*	%
Power generation with solar photovoltaic technology	CCM 4.1	0.01%	80,330 €	0.01%	0.01%	0%	0%	0%	0%	0%			100%
Distribution of district heating/cooling	CCM 4.15	0.03%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Construction, expansion and operation of water collection, treatment and supply systems	**CCM 5.1** WTR 2.1	14.23%	€ 76,652.63	14.23%	14.23%	0%	0%	0%	0%	0%			100%
Construction, expansion and operation of wastewater collection and treatment systems	**CCM 5.3** WTR 2.2	11.77%	2,500,836 €	0.46%	0.46%	0%	0%	0%	0%	0%			3.94%
Collection and transportation of non-hazardous waste in source-separated fractions	**CCM 5.5** CE 2.3	37.99%	204,719,932 €	37.99%	37.99%	0%	0%	0%	0%	0%			100%
Recovery of materials from non-hazardous waste	**CCM 5.9** CE 2.7	1.67%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Refurbishment of existing buildings	**CCM 7.2** CE 3.2	0.00%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Hazardous waste collection and trans-portation	**2.1 PCC** CE 2.3	0.09%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Hazardous waste treatment	2.2 PCC	0.66%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Remediation of contaminated sites and areas	2.4 PCC	0.02%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Sum of alignment per objective					**52.70%**	**0%**	**0%**	**0%**	**0%**	**0%**			
Total Turnover KPI		**66.48%**	**€ 283,953,727**	**52.70%**	**52.70%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	

CapEx | *2025*

Economic activity	Code	*Taxonomy-eligible KPI* Proportion of Taxonomy-eligible CapEx	*Taxonomy-aligned KPI* Monetary value of Capex	*Taxonomy-aligned KPI* Proportion of Taxonomy-aligned CapEx	Climate change mitigation	Climate change adaptation	Water	Circular Economy	Pollution	Biodiversity	Enabling activities	Transitional activities	Proportion of Taxonomy-aligned out of total Taxonomy-eligible
		%	currency	%	%	%	%	%	%	%	A *where applicable*	T *where applicable*	%
Power generation with solar photovoltaic technology	CCM 4.1	0.12%	€ 195,611	0.12%	0.12%	0%	0%	0%	0%	0%			100%
Installation and operation of electric heat pumps	4.16. CCM	0.18%	– €	0.00%	0.00%	0%	0%	0%	0%	0%			0%
Construction, expansion and operation of water collection, treatment and supply systems	**CCM 5.1** WTR 2.1	18.68%	30,463,373 €	18.68%	18.68%	0%	0%	0%	0%	0%			100%
Construction, expansion, and operation of wastewater collection and treatment systems	**CCM 5.3** WTR 2.2	12.79%	2,056,739 €	1.26%	1.26%	0%	0%	0%	0%	0%			9.86%
Collection and transportation of non-hazardous waste in source-separated fractions	**CCM 5.5** CE 2.3	11.74%	€ 19,145,430	11.74%	11.74%	0%	0%	0%	0%	0%			100%
Recovery of materials from non-hazardous waste	**5.9. CCM** CE 2.7	19.07%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Transportation by motorcycles, cars and light commercial vehicles	CCM 6.5	0.20%	225,082 €	0.14%	0.14%	0%	0%	0%	0%	0%		T	68.90%
Refurbishment of existing buildings	**CCM 7.2 CE 3.2**	2.53%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Installation, maintenance, and repair of electric vehicle charging stations in buildings (and in parking spaces pertaining to buildings)	CCM 7.4	0.02%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Hazardous waste collection and transportation	**2.1 PCC CE 2.3**	0.18%	– €	0%	0%	0%	0%	0%	0%	0%			0%
On-site installation, maintenance and repair of renewable energy devices	2.2 PCC	2.03%	– €	0%	0%	0%	0%	0%	0%	0%			0%
Sum of alignment per objective					**31.93%**	**0%**	**0%**	**0%**	**0%**	**0%**			
Total CapEx KPI		**67.53%**	**€ 52,086,235**	**31.93%**	**31.93%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0.14%**	

OpEx | *2025*

Economic activity	Code	*Taxonomy-eligible KPI* Proportion of Taxonomy-eligible OpEx %	*Taxonomy-aligned KPI* Monetary value of OpEx currency	*Taxonomy-aligned KPI* Proportion of Taxonomy-aligned OpEx %	Climate change mitigation %	Climate change adaptation %	Water %	Circular Economy %	Pollution %	Biodiversity %	Enabling activities A *where applicable*	Transitional activities T *where applicable*	Proportion of Taxonomy-aligned out of total Taxonomy-eligible %
Power generation with solar photovoltaic technology	CCM 4.1	0.01%	11,926 €	0.01%	0.01%	0%	0%	0%	0%	0%			100%
Distribution of district heating/cooling	CCM 4.15	0.01%	– €	0.00%	0%	0%	0%	0%	0%	0%			0%
Construction, expansion and operation of water collection, treatment and supply systems	**CCM 5.1** WTR 2.1	10.37%	12,973,163 €	10.37%	10.37%	0%	0%	0%	0%	0%			100%
Construction, expansion, and operation of wastewater collection and treatment systems	**CCM 5.3** WTR 2.2	11.96%	589,959 €	0.47%	0.47%	0%	0%	0%	0%	0%			3.94%
Collection and transportation of non-hazardous waste in source-separated fractions	**CCM 5.5** CE 2.3	8.80%	11,002,552 €	8.80%	8.80%	0%	0%	0%	0%	0%			100%
Recovery of materials from non-hazardous waste	**CCM 5.9** CE 2.7	23.78%	– €	0.00%	0%	0%	0%	0%	0%	0%			0%
Transportation by motorcycles, cars and light commercial vehicles	CCM 6.5	0.30%	260,702 €	0.21%	0.21%	0%	0%	0%	0%	0%		T	68.90%
Hazardous waste collection and trans-portation	**2.1 PCC** **CE 2.3**	0.03%	– €	0.00%	0%	0%	0%	0%	0%	0%			0%
Hazardous waste treatment	2.2 PCC	0.36%	– €	0.00%	0%	0%	0%	0%	0%	0%			0%
Sum of alignment per objective					**19.86%**	**0%**	**0%**	**0%**	**0%**	**0%**			
Total OpEx KPI		**55.63%**	**€ 24,838,302**	**19.86%**	**19.86%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0.21%**	

Climate Change [ESRS E1]

Energy efficiency and decarbonization are strategic areas for the Veritas Group, as per the *Business and Adaptation Plan* objectives and the Group's commitments to reduce the greenhouse gas emissions generated by the integrated water, waste management and cemetery services.

For more information on the process used to identify the impacts, risks and opportunities, see the section on ESRS 2, SBM-3.

IMPACTS	
✓	Positive impact on climate change mitigation from the reduction of greenhouse gas (GHG) emissions obtained through investments in alternative sources (e.g. photovoltaic, secondary solid fuel, biogas), the acquisition of low- or zero-emission vehicles and equipment, and energy efficiency at offices and facilities.
✕	Negative impact from greenhouse gas (GHG) emissions generated by fossil fuel energy consumption and atmospheric emissions, mainly from the Group's facilities and transportation as well as the value chain.
✕	Negative impact from the Group's energy consumption, particularly by the headquarters, facilities, transportation means, and value chain.

– RISKS	+ OPPORTUNITIES
Risk related to extreme climatic events, such as tornadoes, heavy rainfall and floods, which can cause an increase in waste production, flood sewers, damage infrastructure and compromise the supply of services, producing the need to reorganize services, adding costs and possible environmental penalties, and worsening some environmental indicators (Arera indicator M4), with the related penalties, claims and user compensation.	Opportunities given by energy efficiency, investments in alternative sources such as solar panels, secondary source fuels, and biogas that offer benefits in terms of access to energy incentives for decarbonization and new opportunities concerning the transition to a low-emission economy.
Risk from drought, seawater intrusion and water stress that can affect the safety of drinking water, damage the systems and increase the costs of withdrawal and purification, particularly during busy tourist periods, and lead to worse environmental indicators (Arera indicators M2 and M3), with the related penalties, claims and user compensation.	
Risk caused by rising temperatures and heatwaves that can impact operations and increase adaptation costs, such as for cooling the plants and protecting the infrastructure.	
Risk related to the energy consumption from fossil fuels of offices, facilities and vehicles which can erode the operating margin due to an increase in energy costs and potential reputational issues.	

Transition plan for climate change mitigation [E1-1]

At December 31, 2025, the Veritas Group did not have a formal climate change mitigation transition plan compliant with Regulation (EU) 2021/1119, Article 2(1) and Commission Delegated Regulation (EU) 2020/1818, Article 2; however, the *Business and Adaptation Plan* includes strategic guidelines with which the Group intends to pursue sustainability targets. The Plan includes key actions related to climate change and investments for the transition to climate change mitigation. The Group intends to develop a transition plan, beginning with the implementation this year of a resilience and climate scenario assessment. In 2026, the Group will complete the transition plan by setting decarbonization targets using Science Based Targets initiative (SBTi) criteria to ensure its strategy's consistency with the Paris Agreement and the goal of climate neutrality by 2050. The main strategic approaches to mitigation, described in the business and adaptation plan, are:

- energy efficiency through the renovation and streamlining of premises and systems (major renovation projects are planned that will permit the buildings to obtain LEED certification);
- emissions reduction through the replacement of the vehicle fleet with green solutions;
- increased production of renewable energy from solar power, biomethane production, a hydrogen production project, improvements in the efficiency of sewage sludge treatment, and combined heat and power generation;

– absorption of greenhouse gas emissions thanks to the Depuracque forest and tree planting.

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

Since 2023, the Group has been conducting a climate risk assessment with the assistance of the Euro-Mediterranean Center on Climate Change (CMCC) under a contract of Consorzio Viveracqua (a consortium that brings together the 12 integrated water service operators based in the Veneto region). The Group used the CMCC Dataclime platform to assess short/medium/long-term physical climate risks. In addition, it used a platform provided by Confindustria Veneto for short-term physical risks. These assessments are detailed below. For the analysis of the context (climate in particular), reference is made to Veneto's regional strategy for climate change adaptation, the *water management plan*, and the *flood risk management plan* of the Eastern Alps District Basin Authority.

These documents report that the most significant hazards for the area are:

– *rising temperatures*, both as annual/seasonal averages and as prolonged heat spikes, and thus summer heat waves, which result in prolonged heat spikes and intense summer heat waves with impacts on human health and ecosystems;

– *changes in rainfall patterns*, not so much in terms of the average annual precipitation (although a downward trend is already present in some areas), but in its distribution and intensity, with a decrease in summer rainfall and a slight increase in fall and winter rainfall, associated with fewer rain events and a greater number of extreme precipitation events, which can lead to severe droughts, with consequences for the hydrological balance;

– *sea-level rise*, in light of the intensification of storm surges, saltwater intrusion, and the expansion of flood-prone areas due to rising sea levels, which will lead to more frequent flooding in coastal areas, as well as saltwater intrusion and erosion of the dune front during intense storm surges.

The climate risk assessment was carried out in accordance with Regulation (EU) 2020/852, which distinguishes between acute and chronic risks with respect to the four variables: temperature, wind, water, solid mass. The assessment also considered three representative concentration pathways (RCPs) among those defined by the *intergovernmental panel on climate change* (IPCC), namely:

– *Rcp 2.6*: assumes aggressive mitigation strategies whereby greenhouse gas emissions are halved by 2050, eventually arriving at zero. According to this scenario, global warming is projected to be limited to 2°C above the pre-industrial levels;
– *Rcp 4.5*: strong mitigation: assumes the implementation of a number of initiatives to cut emissions, including reducing CO_2 emissions by 2070; atmospheric concentration stabilizes by the end of the century at about double the pre-industrial levels. Global warming is projected to be between 1.1°C and 2.6°C by the end of the century;
– *Rcp 8.5* takes a business-as-usual approach without any climate change mitigation action. According to this scenario, atmospheric concentrations of CO_2 are projected to triple or quadruple from the pre-industrial levels by 2100.

The Dataclime platform enables the analysis of climate variables with respect to the three scenarios described above and three time horizons: 2021-2050, 2036-2065 and 2071-2100, starting from 1981 to 2010 (period for which the averages were calculated for each indicator). Up to nine variables (average temperature, maximum temperature, maximum wind speed, precipitation, snowfall, and combinations of these) and several indicators can be selected for each variable. The platform provides the information at the highest spatial resolution currently available of approximately 12 km. This gives a more detailed representation of the geographical features and physical processes that influence the climate in the area of interest.

According to the Data-Clime platform, the Group's highest physical risks relate to rising temperatures, heat waves, sea-level rises and saltwater intrusion, heavy precipitation, and flooding.

The hazards identified by the Group are consistent with those defined in the regional climate change adaptation strategy defined above.

The risk analysis was conducted by assessing the interaction between climate hazards (extreme events), exposure (infrastructure, employees and affected users), and vulnerability (the system's susceptibility to such events). Activities and sites were taken into account. The hazards defined in Regulation (EU) 2020/852 were considered, measured using the various indicators provided by the CMCC and assessed based on the RCP 4.5 and RCP 8.5 scenarios reported above and across different time periods, specifically: 2021-2050, 2036-2065, 2071-2100. The exposure was assessed on a case-by-case basis for each activity, taking into account the materiality of the variables and persons involved (cubic meters of water, metric tons of waste, number of employees, number of users, etc). Vulnerability is a system's susceptibility to damage when affected by an event. It depends on the system's sensitivity and its ability to adapt. Mitigation actions may also be taken into account in the vulnerability analysis. Once the risks were identified, the adaptation measures were defined, listed in the table below.

Hazards, risk analysis, and adaptation plan

risk	adaptation plan
Temperature change (air, freshwater, seawater)	
Need for additional treatment to make water safe to drink; extreme risk that it is unfit for human consumption Workers' health and safety	Interconnection of water supply networks to address potential issues with drinking water treatment plants Changes to work schedules during summer periods of extreme heat Training and awareness-raising activities for employees to help them cope with heat waves
Thermal stress	
Need for additional treatment to make water safe to drink; extreme risk that it is unfit for human consumption Workers' health and safety	Interconnection of water supply networks to address potential issues with water treatment plants Changes to work schedules during summer periods of extreme heat Training and awareness-raising activities for employees to help them cope with heat waves
Heat waves	
The risk is high for maintenance work on the networks and for waste collection and handling activities, as well as manual street sweeping, and affects workers' health and safety	Changes to work schedules during summer periods of extreme heat Training and awareness-raising activities for employees to help them cope with heat waves
Hydrological variability	
Difficulty in supplying water at certain times of the year. Need for additional water treatment	Completion of the new acqueduct facility on the island of Tronchetto and renovation of the water supply networks. This project is particularly important for restructuring the drinking water distribution and increasing the resilience of the system in the municipalities served by Veritas spa. New Roncadelle - Ponte di Piave water supply pipeline: The new Roncadelle – Ponte di Piave section will complete the renovation of the water supply line to the Noventa di Piave power plant, replacing the current aging pipeline, which is prone to frequent breaks. This project improves the supply security and increases the load capacity.
Precipitation variability	
Difficulty in supplying water at certain times of the year	New Roncadelle - Ponte di Piave water supply pipeline: The new Roncadelle – Ponte di Piave section will complete the renovation of the water supply line to the Noventa di Piave power plant, replacing the current aging pipeline, which is prone to frequent breaks This project improves the supply security and increases the load capacity.
Heavy precipitation (rain, hail, snow, ice)	
Sewer flooding, with conditions worsening the M4 indicator and any penalties; Potential compensation to users for damages related to wastewater treatment; the risk is mitigated by overflows (they manage sewer overflows so that the flow rate at the plant's inlet is consistent with the nominal treatment capacity)	Projects for the construction of stormwater retention basins (Fusina integrated project, Campalto integrated project, Chioggia). New sewer systems (Mestre, Riviera del Brenta, and Miranese)

risk	adaptation plan
Floods (coastal, river, rain-induced, groundwater)	
Similar to heavy rainfall, located near rivers	Projects for the construction of stormwater retention basins (Fusina integrated project, Campalto integrated project, Chioggia). New sewer systems (Mestre, Riviera del Brenta, and Miranese)
Saltwater intrusion	
Property damage Temporary suspension of service Cutoff orders resulting in damages for the community and damage compensation	Savec interconnection and Boccafossa bypass projects Completion of the new acqueduct structure on the island of Tronchetto and renovation of the water supply networks. This project is particularly important for restructuring the drinking water distribution and increasing the resilience of the system in the municipalities served by Veritas spa, especially for Venice's historic center and the municipality of Chioggia, by increasing water supply capacity through the new sub-lagoon pipelines and the new SAVEC hub station
Parameter and Arera M6 indicator overruns Higher costs for investigating seawater intrusion in the sewer systems connected to the network cleaning and maintenance plant, potential damage to the system due to higher risk of corrosion	Lido Fusina connection pipeline (due to the closure of the Lido facility) Pipe and overflow renovation projects in Chioggia
Rising sea level	
Property damage Temporary suspension of service Cutoff orders resulting in damages for the community	Repurposing of the Bivio Madonna pumping station: Construction of the Bivio Madonna pumping station: construction of a new pumping station and demolition of water tower
Parameter and Arera M6 indicator overruns Higher costs for investigating seawater intrusion in the sewer systems connected to the network cleaning and maintenance plant	Lido Fusina connection pipeline (due to the closure of the Lido facility) Pipe and overflow renovation projects in Chioggia
Water stress	
Need to implement a replacement service with higher costs Compensation for users in the event of prolonged service suspensions or suspension without prior notice Need to increase tank capacity	New central water service reservoir in Chiesanuova San Donà di Piave: The project is of great importance for the security of San Donà di Piave's water supply. In addition to routing the flows to the power plant, the reservoir also serves as a critical emergency function in the event of breaks or temporary outages of the pipeline supplying the power plant, so it is strategic for increasing the resilience of the entire system Drought plans: The plan consists of a series of short, medium, and long-term actions designed to counteract or minimize water shortages caused by climate change
Drought	
Need to implement a replacement service with higher distribution costs Compensation for users in the event of prolonged service suspensions or suspension without prior notice Higher costs due to increased pumping from wells and higher energy costs	Moglianese DMA Pilot Project: The project involves installing the hydraulic connections and the shut-off and control valves necessary for managing the drinking water network under the district metered area (DMA) model — a pilot project designed to assess the implementation challenges, duration and costs, and subsequently extending this business model to all the areas served by Veritas. District-based water management to address water stress and (by reducing leaks) any drought-related issues. Drought plans: The plan consists of a series of short, medium, and long-term actions designed to counteract or minimize water shortages caused by climate change

The hazards posed by hydrological variability, precipitation variability and water stress are associated with drought risk.

Furthermore, the sites located in the historic centers of Venice and Chioggia are at risk from rising sea levels. However, as far as vulnerability is concerned, the impact of rising sea levels is mitigated by the Mose system of movable barriers.

Targets related to climate change mitigation and adaptation [E1-2]

The Veritas Group recognizes the urgency of climate change, and is actively committed to reducing climate-altering emissions and improving energy efficiency by adopting measures to mitigate the environmental impacts of its activities. Consistently with the sustainable development principles, the Group promotes the rational use of energy, the adoption of renewable energy sources and the optimization of energy consumption, while pursuing the opportunities associated with the ecological transition. The organization's commitment is defined and strengthened with its *Strategy*, the Management System regulations and procedures, the *Integrated Management System Policies*, the *Waste Management Service Policy*, the *Integrated Water Service Management Policy*, the *Cemetery Services Management Policy*, the *Service Charter* and the *Code of Ethics*.

Strategy

The Veritas Group's *Strategy* is a formal document approved by the parent company's director, shared with and applied to all the companies, and published on the respective websites, which explains the Group's main objective: creating excellent public waste management services at the lowest possible cost. In fact, the Veritas Group's goal is to create value for its shareholders and for the local community through development and innovation in its various areas of expertise, with a view to sustainability and a circular economy. The Group's business and environmental strategy, which originates from its public nature, reiterates corporate and industrial objectives that often coincide with those related to social sustainability, environmental protection and the proper use of resources, and the policies implemented are intended to prevent, mitigate and correct actual and potential impacts, address risks and pursue opportunities. The strategy defines the Group's main long-term objectives and the strategies to achieve them.

With respect to climate change, the Group states in the Strategy its commitment to reducing negative environmental impacts, thanks in part to innovation and the transition to a fleet of vehicles with a lower emission impact, and to the renovation of logistics sites with eco-friendly buildings, based on rationality and local characteristics as well as the expansion of local services.

Management system regulations and procedures

Integrated management systems consist of the set of documents that break down the organization's activities, ranging from the policies defined to the targets set for each process that the Group uses to ensure the services where it operates, managing impacts, risks and opportunities. For further details, see the section on ESRS G1, G1-1.

At an organizational level, based on the characteristics of the individual facilities, the Group has adopted a quality and environmental management system, drawn up in compliance with the UNI EN ISO 9001:2015 and UNI EN ISO 14001:2015 standards. All the Group's services and facilities are UNI EN ISO 9001:2015 certified and the sites (plants and offices) with significant environmental impacts (mainly in terms of energy consumption or because they are located in particularly sensitive areas - like the Venice lagoon) are UNI EN ISO 14001:2015 certified.

In conducting its activities, the Veritas Group strives to adopt the best available technologies, use resources responsibly and apply engineering and operational solutions that protect the environment, in full compliance with environmental regulations. In this respect, all the Group companies adopt integrated policies that guide the daily operations according to the principles of sustainability, transparency and responsibility.

The quality and environmental management system is a distinctive and strategic system for adopting a structured, systematic approach to the management of environmental impacts, contributing to the continuous improvement of the business performance and to the compliance with the current regulations.

Integrated management system policies

In applying the UNI standard-compliant management systems, all the Veritas Group companies have devised integrated quality, environmental and safety policies that are posted in their offices and published on their websites. The policies are approved by the general management. The policies reflect the Group's strategy requiring the establishment and implementation of cultural, organizational, engineering and technological processes in which the topics of environmental protection, limited primary resource use, energy savings, energy efficiency and renewable energy use, along with the economic and financial sustainability of the initiatives, are always in the foreground, as are the health and safety of the organization's people.

■ *Waste management service policy*

The *waste management service management policy* is set by the management of the waste management service, published on the websites and intranet and approved by the parent company's environment department director and general manager. The policy sets forth the general principles and guidelines for the effective, efficient, sustainable and safe management of the waste management services offered by Veritas. As a whole, the policy considers the context within which the Group operates and, in a broader sense, the needs of the local area and parties involved, with whom it encourages dialogue and discussion.

Concerning climate change, the policy prioritizes the containment of energy consumption and the reduction of costs related to waste treatment and disposal activities by ensuring the best technological solutions and efficient services. To guarantee its services, the heads of the waste management service increase efficiency through innovation and technology to achieve the objectives of savings and performance optimization while experimenting with new solutions; the streamlining of waste transportation flows, perfecting the logistics of waste collection and transportation by identifying an optimal model for the service and customized solutions for commercial and industrial users; compliance with regulatory and authorization requirements and the matching of the activities performed to the management systems.

■ *Integrated water service management policy*

The *integrated water service management policy*, set by the management of the integrated water service and approved by the parent company's general manager, establishes the principles and guidelines for Veritas' effective, efficient, sustainable and safe management of the service. In defining the policy, published on the organization's websites and intranet, the legislative and regulatory actions carried out by Arera (Italian Regulatory Authority for Energy, Networks and Environment) are crucial, as they set the service standards, the planning objectives, and the rate scheme for the full cost recovery. As a whole, the policy considers the context within which the Group operates and, in a broader sense, the needs of the local area and parties involved, with whom it encourages dialogue and discussion.

Concerning climate change, the policy establishes the importance of infrastructure renovation and technological efficiency for curbing energy consumption and saving natural resources. With the policy, the management of the integrated water service ensures, among other things, greater efficiency through innovation and technology for meeting the objectives of savings and service optimization while experimenting with new solutions; compliance with regulatory and authorization requirements; the matching of the activities performed to the international management systems.

■ *Cemetery service management policy*

The *cemetery service management policy* is set by the cemetery services management, published on the organization's websites and intranet and approved by the director of the services and the parent company's general manager. The policy sets forth the general principles and guidelines for the effective, efficient, sustainable and safe management of the cemetery services offered. As a whole, the policy considers the context within which the Group operates and, in a broader sense, the needs of the local area and parties involved, with whom it encourages dialogue and discussion.

With respect to climate change, the cemetery services management is committed to seeking continuous improvement by providing services in a continuous, efficient and economical manner while observing sustainability. In this sense, technological systems are regularly checked and maintained in order to limit energy consumption. With the policy, the cemetery services management ensures greater efficiency through innovation and technology for meeting the objectives of savings and service optimization while experimenting with new solutions; responsible management of the natural resources used by adopting solutions aimed at protecting the environment, preventing and reducing the environmental impact of activities for the benefit of present and future generations; compliance with regulatory and authorization requirements and the matching of the activities performed to the management systems.

Service charters

The *service charters* (for details see E2, E3, E5: sections E2-1, E3-1, and E5-1) are official documents with which the Group states the quality standards that it undertakes to guarantee to its users and which establish the fundamental principles observed in the supply of the public services. They are a tool for protecting users and also a formal commitment to promoting efficient and sustainable management of services.

The Veritas Group has the following service charters: the *integrated water service charter*, *integrated municipal waste management service charter* and *cemetery services charter*.

The *charters* reiterate the Group's commitment to protecting and respecting the environment, with the aim of minimizing the impacts of its activities. To this end, the Group adopts all initiatives useful for promoting resource recovery, including energy recycling.

Code of Ethics

The Group's *Code of Ethics* (for details see the section on ESRS G1, G1-1) establishes the general guidelines on the relationship with the environment, climate change and sustainability. It formalizes the Group's commitment to pursuing environmental protection, with a view to continuously improving its services. The Group states its commitment to promoting interactive dialogue with all the stakeholders and to adopting sustainable social and ecological behaviors compatible with ESG parameters.

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

As part of the environmental commitments assumed in the *business plan* regarding energy efficiency and decarbonization, the Veritas Group has an action plan intended to reduce the potentially negative impacts linked to its activities, contain environmental risks and pursue the opportunities related to energy consumption and greenhouse gas emissions. The initiatives implemented meet the Group's strategic objectives and concern technological adaptations designed to reduce resource use, increase energy production from renewable sources, and renew the organization's land and water fleets; these actions extend over a time horizon that covers the current duration of the service engagements.

The 2025 capital expenditure was approximately € 23 million.

Targets related to climate change mitigation and adaptation [E1-4]

In the *2026-2030 Business and Adaptation Plan*, the Veritas Group identified specific strategic targets relating to energy efficiency and greenhouse gas emissions, with the objective of responding in a structured manner to the environmental impacts associated with its activities. The targets guide the Group's actions in assessing and managing the main risks and in seizing the related opportunities.

The climate change adaptation targets are:

Implementation of actions to adapt to climate change

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Fusina integrated project (PIF) – first flush tank in former Lusore riverbed - Construction of tank volume approx., 60,000 m^3					
Integrated water service	In 2023, the project to build a new rainwater tank reached 1% completion	2028*	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Campalto integrated project (CIP) – rainwater harvesting tank in Carpenedo Bissuola. Construction of first flush rainwater diverter volume approx 15,000 m^3 and water pumping system capacity 10 m^3/s					
Integrated water service	In 2023, the project to build a new rainwater tank reached 3% completion	2027*	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Drought plans – actions (short, medium and long term) to counteract or minimize water shortages caused by climate change					
Integrated water service	In 2023, the action plan to ensure the water supply to the area served reached 0% completion	2033	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan

With regard to energy-related climate change targets;

Implementation of actions for technological adaptations to promote energy efficiency

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Replacement of low energy-efficiency compressors/mixers to optimize energy savings at Jesolo/Cavallino					
Integrated water service	In 2023, the project implementation reached 5% completion	2026	Entities | Residents Users | Shareholders |Future generations	% of completion	Work implemented according to plan
Fusina integrated project (PIF) plant renovation and energy efficiency					
Integrated water service	The project will commence in 2026	2038*	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Technological adaptation of the Torre di Mosto purification plant					
Integrated water service	In 2023, the technological adaptation project for energy efficiency and CO_2 reduction reached 10% completion	2027*	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Efficiency improvement and optimization of drinking water production and pumping					
Integrated water service	In 2023, the action plan for energy efficiency improvement and CO_2 reduction reached 0% completion	2025	Entities | Residents Users | Shareholders | Future generations	% of completion	The project was completed in 2025.
Energy retrofitting of S5 and S6 sewerage pumps and sewerage areas; Scorzè plant; Madonna junction; Campalto and Caorle alternating cycles					
Integrated water service	In 2023, the project for energy efficiency improvement and CO_2 reduction reached between 0% and 35% completion	2026	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Adaptation of the DON line of the Jesolo purification plant					
Integrated water service	In 2023, the project for implementing the work and installing the instruments reached 10% completion	2025	Entities | Residents Users | Shareholders | Future generations	% of completion	The project was completed in 2025.
Design and installation of a cogeneration system to power the Vomm drying sustem					
Energy service	The project has not commenced yet	2026	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Upgrading of Scorzè power plant and wellfield					
Integrated water service	In 2023, the project for implementing the work and installing the instruments reached 0%	2026	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Upgrading of Bivio Madonna pumping station					
Integrated water service	In 2023, the project for implementing the work and installing the instruments reached 0%	2026	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Introduction of alternating cycles at Campalto purification plant					
Integrated water service	In 2023, the project to introduce alternating cycles in order to optimize processes and maximize energy savings reached 5%	2027*	Entities | Residents Users | Shareholders | Future generations	% of completion	Work implemented according to plan
Introduction of alternating cycles at the Caorle purification plant					
Integrated water service	In 2023, the project for implementing the work and installing the instruments reached 10% completion	2025	Entities | Residents Users | Shareholders | Future generations	% of completion	The project was completed in 2025.

*The year of meeting the target was revised due to work postponement.

The energy and technological efficiency of the organic sector - Fusina target, included in the 2024 Sustainability Report, was reviewed and included in a broader project regarding the renovation of the entire plant, as stated in the new target. Lastly, with regard to mitigation targets:

Increased electricity production from renewable sources, fleet decarbonization and emissions reduction due to service optimization

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Construction of photovoltaic systems for own production of electricity from renewable sources					
Veritas Eco+Eco Depuracque	In 2023, the photovoltaic plant project reached 0% completion	2028*	Entities | Residents Users | Shareholders Future generations	% of completion	Eco+Eco *ricicla* plant completed, new plants built at the Depuracque site, three installation contracts underway for Veritas
Green vehicle and vessel fleet renewal					
Veritas	In 2023, the project reached 13% completion	2038	Entities | Residents Users | Shareholders Future generations	% of completion	Work implemented according to plan
Creation of Salzano platform					
Depuracque	In 2024, the project implementation reached 70% completion	2027	Entities | Residents Users | Shareholders Future generations	% of completion	Work implemented according to plan
Construction of 4 biomethane distribution systems to reduce CO_2 emissions and promote a circular economy					
Veritas Eco+Eco	In 2024, of the 4 biomethane distribution systems that need to be installed: Fusina was developed; Mirano was authorized; Portogruaro is undergoing the authorization process; Jesolo is being evaluated.	2027	Entities | Residents Users | Shareholders Future generations	% of completion	Work implemented according to plan
Transition from fossil fuels to renewables for energy production and procurement					
Veritas Eco+Eco	In 2023, the renewable energy plant project reached 0% completion	2026	Entities | Residents Users | Shareholders Future generations	% of completion	Work implemented according to plan

* The target year, initially 2025, was revised after new photovoltaic systems were built and the authorization process was delayed.

The Group is setting additional targets related to climate change for 2030 that will be based on the following metrics:

- reduction of fossil fuel grid energy intensity (GJ/total turnover);
- reduction of drinking water consumption intensity (m^3/total turnover);
- increase in energy production from renewable sources;
- reduction of GHG intensity (tCO_2e/total turnover).

Energy consumption and mix [E1-5]

The energy consumed is mostly fossil fuel and refers to electricity purchased, attributable largely to Veritas' integrated water service, and fuel, attributable mainly to the waste collection and transportation services. The Eco+Eco *valorizza* plant is relatively energy-intensive but it produces most of the energy it consumes by using the secondary solid fuel produced in the plant. All the Group's energy consumption was reported using actual data, with the exception of Sifa's, for which it was necessary to use a partial estimate for the electricity component. For this item, direct measurements are unavailable because the electricity is included in the rental fee, through a centralized supply managed by the lessor, which does not allow for separating the consumption by lessee. To estimate the consumption, an analogy-based method was adopted using per capita data from a Veritas site with similar operational and location features. This amount was then multiplied by the number of Sifa employees to obtain a reliable estimate of the overall electricity consumption.

Energy consumption and mix

	2024	2025
Fuel consumption from coal and coal products (MWh)	0.0	0.0
Fuel consumption from crude oil and petroleum products (MWh)	72,218.97	77,517.31
Fuel consumption from natural gas (MWh)	42,470.25	44,426.20
Fuel consumption from other non-renewable sources (MWh)	18,514.78	19,058.92
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil fuel sources (MWh)	123,417.37	122,227.87
Total energy consumption from fossil fuels (MWh)	256,621.36	263,230.30
Proportion of fossil fuel sources out of total energy consumption (%)	95%	97%
Consumption from nuclear sources (MWh)	0	0
Proportion of nuclear sources out of total energy consumption (%)	0%	0%
Fuel consumption for renewable sources, including biomass (also includes organic industrial and municipal waste, biogas, renewable hydrogen, etc.) (MWh)	9,985.99	6,468.21
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	616.8	409.35
Consumption of self-generated renewable energy without using combustible fuel (MWh)	1,811.55	2,573.97
Total energy consumption from renewable sources	12,414.34	9,451.52
Proportion of renewable sources out of total energy consumption (%)	5%	3%
Total energy consumption (MWh)	269,035.7	272,681.82

In 2025 the Group produced 7,715 MWh of renewable energy from solar panels and biogas (8,535 in 2024) and 25,922 MWh of non-renewable energy from secondary solid fuel (25,870 in 2024).

Compared to 2024, the total energy consumption increased slightly (+1.8%), with a rise in fossil fuel energy consumption, due mainly to greater fuel consumption for transportation, while the electricity purchased from the national grid decreased.

In the reporting period, the energy intensity related to the Group's activities in sectors with a high climate impact was 0.0005, calculated as the ratio between the total energy consumption of the activities in high climate impact sectors (MWh) and the net revenues of the same activities (euro). The Group's sectors and companies are all high climate impact with the exception of the subsidiaries Lecher ricerche e analisi srl, Veritas Conegliano srl, Ecodistretto RE srl and Consorzio per la gestione dei servizi comuni (Fusina).

Energy intensity based on net revenue

	2024	2025
Total energy consumption of activities in high climate impact sectors (MWh)	268,854	271,906
Net revenues from activities in high climate impact sectors (euro)	524,342,747	535,845,241
Energy intensity (MWh/euro)	0.0005	0.0005

Below is a reconciliation between the net revenues from activities in high climate impact sectors and the total revenues reported by the Group in the reporting period.

Revenues

	2024	2025
Net revenues from activities in high climate impact sectors used to calculate energy intensity	524,342,747	535,845,241
Net revenues (other)	1,843,974	3,005,435
Total net revenues of the Group (A1)	526,186,721	538,850,676

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

The main greenhouse gas emissions are due to waste collection and transportation activities and to the production of secondary solid fuel, especially with regard to scope 1 emissions, to waste treatment and wastewater purification (municipal and industrial) relating to energy consumption and consequently scope 2 emissions, and to the treatment of special liquid waste (use of reagents) and of waste scrap (scope 3, categories 1 and 5). The emission mitigation actions are investments in alternative energy sources (photovoltaic systems, biogas), the purchase, to the extent possible, of eco-friendly vehicles (with the related installation of electric charging stations at company premises), and investments in renewable energy and energy efficiency at the premises. Although the production of secondary solid fuel produces scope 1 emissions, it creates electricity savings (both in financial terms and in terms of consumption), which can curb the total greenhouse gas emissions. In accordance with the GHG Protocol – Corporate Standard, emissions associated with the combustion of biogas are not included in the calculations of Scope 1, 2 or 3 emissions since the net impact of biogas is considered zero.

Greenhouse gas emissions (t CO_{2eq})

	2024	2025
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	67,738	75,294
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0	0
Scope 1 GHG emissions of Group consolidated accounts	67,738	75,294
Scope 2 GHG emissions		
Gross location-based Scope 2 GHG emissions	38,037	31,402
Gross market-based Scope 2 GHG emissions	61,820	53,998
Scope 3 GHG emissions		
Gross Scope 3 GHG emissions	140,594	346,758
Category 1 Purchased goods and services	78,096	107,384
Category 2 Capital goods	7,205	1,486
Category 3 Fuel and energy-related activities	18,007	15,164
Category 4 Upstream transportation and distribution	3,158	1,331
Category 5 Waste generated in operations	29,489	199,988
Category 6 Business travel	8	15
Category 7 Employee commuting	4,631	4,165
Category 8 Upstream leased assets	0	0
Category 9 Downstream transportation and distribution	0	0
Category 10 Processing of sold products	0	13,683
Category 11 Use of sold products/services	0	0
Category 12 End-of-life treatment of sold products	0	545
Category 13 Downstream leased assets	0	0
Category 14 Franchises	0	0
Category 15 Financial investments	0	2,997
Total greenhouse gas emissions		
Total GHG emissions (location-based)	247,594	455,140
Total GHG emissions (market-based)	271,377	477,736
Out-of-scope emissions	1,225	1,686

Note: biogas is considered carbon-neutral because the CO_2 released during combustion is equivalent to the CO_2 absorbed by the biomass during its growth cycle. Consequently, the CO_2 emitted does not increase the concentration of greenhouse gases in the atmosphere and is therefore classified as out-of-scope, i.e. biogenic emissions excluded from the traditional scopes of the GHG inventory. In addition to biogas, the use of biomethane and hydrotreated vegetable oil (HVO) was considered in the out-of-scope emissions. In 2024, biomethane and HVO were not included in the out-of-scope emissions; when included, the amount rises to 2,896.

The following factors were used to calculate the GHG emissions under the GHG protocol:

- The factors used to convert the different fuel measurement units are taken from the *UK database Government Ghg Conversion Factors for Company Reporting*, Department for Energy Security and Net Zero (Desnz) (2025).
  - **Calculation of direct emissions** (Scope 1)

National Standard Parameters Table published by the Ministry of the Environment (2025) and Desnz (2025).

- **Calculation of indirect emissions** (Scope 2)
  National emission inventory *Emission factors for electricity production and consumption in Italy, Ispra 2025* (location-based approach); European residual mix 2025 – Aib 2025 (market-based approach).

- **Calculation of indirect emissions** (*Scope 3*)
  Category 1 – purchased goods and services: this category includes the purchase of reagents and of goods and services. To calculate the emissions associated with purchased goods and services, a physical-based approach was used for the purchase of chemical reagents, for which the data are available in kilograms. For water, the cubic meters purchased from third parties (Asvo and Euroscavi) were considered, and a specific emission factor related to water consumption was used. For the remaining portion of the data on purchases of goods and services, a spend-based approach was used, since the amount spent in euros was available. The following assumptions were made for the data processing: i) exclusion of all items corresponding to emissions already mapped to other emission categories, ii) exclusion of all items that do not generate emissions (such as expenses and depreciation), iii) application of a 90% cut-off to the expense, using average emission factors for the "long tail" of the remaining 10%. The emission factors used were obtained from the Open Ceda 4.0 International (Watershed) database for the expense, while emission factors from the LCA Ecoinvent 3.12 database were used for the reagents. Compared to 2024, the source of the emission factors changed somewhat; for 2024, Defra (*UK Standard Industrial Classification of Economic Activities* for 2021) was used, rather than Open Ceda 4.0 International (Watershed). For Ecoinvent, the latest version of the database (Ecoinvent 3.12) was used.
  Category 2 - capital goods: this category includes emissions generated by the production of durable goods (such as buildings or machinery) purchased in the reporting period. In this case as well, the spend-based approach was used: the process began with the expenditure data for each category, to which the corresponding emission factor was then assigned. Expenditure data were classified as capital assets in cases involving the purchase of a photovoltaic system, an electrical system, machinery expected to be used over several years, and other similar assets (motor vehicles, furniture, etc.). The emission factors used are derived from the Open Ceda 4.0 International (Watershed) database). The most commonly used emission factors are in the following categories: *power and communication structures* and *cutting and machine tool accessories, rolling mills, and other metalworking machinery manufacturing*. The capital assets category can vary significantly from year to year depending on the new assets acquired during the year. Compared to 2024, the source of the emission factors changed; Defra (*UK Standard Industrial Classification of Economic Activities* for 2021) was used for 2024
  Category 3 – fuel and energy-related activities (not included in Scope 1 or 2): includes emissions associated with: upstream fuel; upstream electricity, steam and natural gas purchased for own use; losses related to electricity, steam and natural gas purchased for own use. To calculate the emissions of this category, a physical-based approach can be used, based on the physical data for fuel or electricity consumption (l, mc, kWh). The calculation method involves multiplying the physical data by the specific emission factor for fuel or electricity. For fuels, the specific well-to-tank (WTT) emission factor is used. For electricity, in addition to the WTT factor, transmission and distribution (T&D) losses are calculated. The available data are the same as those for the Scope 1 and 2 calculations; therefore, the specific emission factors for energy consumption were applied without the need for additional assumptions or recalculations. The emission factors are obtained from the 2025 Desnz database.

Category 4 – upstream transportation and distribution: the category covers emissions associated with the transportation of goods and services purchased by the undertaking, from using non-owned vehicles. A spend-based approach was used for these emissions. All expense items related to logistics services, shipping, general transportation management, and waste collection and transportation by third parties were classified to this category. The emission factors used are derived from the Open Ceda 4.0 International (Watershed) database. The most commonly used categories are: *truck transportation*, average value between *water transportation and truck transportation*. Compared to 2024, the source of the emission factors changed; Defra (*UK Standard Industrial Classification of Economic Activities* for 2021) was used for 2024.

Category 5: waste generated in operations: the category concerns emissions generated by the treatment at third-party facilities of waste produced by the Group. To calculate the emissions associated with waste production, a waste-type-specific approach was used, based on the physical data for each category of treated waste. Physical data (in kg) on waste sent for recovery or disposal at third-party facilities in 2025 are available for this calculation, broken down by European waste code (EWC), hazardous class, and type of recovery/disposal operation. To avoid double-counting, waste of companies exiting the scope of consolidation was taken into account, and the baseline data, which includes all waste managed by Group companies, was broken down into waste managed internally (Scope 1 and 2) and waste managed by third parties (Scope 3). Depending on the type of waste and the recovery/disposal operation, the most representative emission factor in terms of technology and geography (Italy/Europe) was selected from among the emission factors available in Ecoinvent (for which the Ecoinvent 3.12 LCA database was used). Compared to 2024, the calculation method and the source of the emission factors changed. In 2024, a spend-based approach was used, and the source was Defra (*UK Standard Industrial Classification of Economic Activities* for 2021).

Category 6: business travel: this category includes emissions associated with business travel by staff (excluding travel using company vehicles), including overnight stays, mileage reimbursements, tolls, daily allowances and entertainment expenses. The calculation method uses the spend-based approach. The emission factors used are derived from the Open Ceda 4.0 International (Watershed) database: *accommodation, transit, and ground passenger transportation + state and local government passenger transit*, the average value between *accommodation and transit, ground passenger transportation, and state and local government passenger transit*. Compared to 2024, the source of the emission factors changed: Defra (*UK Standard Industrial Classification of Economic Activities* for 2021) was used for 2024.

Category 7: employee commuting: for each employee, the period of the year in which the employees actually worked was calculated in twelfths. Each employee was associated with the affiliate they work for, subsequently grouped into locations according to the geographical similarity of the areas. Based on the estimates provided by the mobility manager, each employee was assigned a potential amount of CO_2 emissions (kg/year), determined by the similarity of the location. The estimated actual amount of CO_2 for each employee was obtained by multiplying the potential amount by the period worked in the year.

Category 10 - processing of sold products: to calculate the emissions associated with the processing of goods sold, a physical-based approach was used. The following physical data (in kg) on secondary raw materials sold in 2025 as intermediate products are available for the calculation: gravel, polystyrene, iron, and metals. In addition, the B2B customer segment (converting customers) is available for all products (except gravel). For each type of material, the processing following the sale was assumed. Specifically: Gravel and polystyrene do not need to be processed before they can be used in a final product, whereas iron and other metals require mechanical processing before they can be used in a final product. It is assumed that the processing takes place in Europe. The emission factor used is the item extracted from the Ecoinvent 3.12 LCA database: *metal working, average for metal product manufacturing, kg, RER*. This category was not considered significant in 2024.

Category 12 – End-of-life treatment of sold products: to calculate the emissions associated with the processing of goods sold, a physical-based approach was used. As above, the physical data of the secondary raw materials sold, as listed in Category 10, are available. It is assumed that all end-of-life materials can be recycled. The emission factors are the following entries from the Ecoinvent 3.12 LCA database: *treatment of waste concrete gravel*, *recycling*, kg, RoW; *treatment of waste polystyrene*, *recycling*, kg, Row; *treatment of waste reinforcement steel*, *recycling*, kg, Row. This category was not considered significant in 2024.

Category 15 – Investments: For this category of emissions, the Group's investments in companies outside the inventory perimeter were taken into account, so an investment-specific approach was used. For each associate and subsidiary, information is available on: the business sector, the Veritas Group's ownership of the company, the 2024 value of production (in euros) (available for all companies except Ecolegno CM Venezia srl, which was omitted from the current calculation). The 2024 value of production was assumed to be comparable to that of 2025, and representative of the company's emissions impact. The emissions calculated for each company (based on its value of production) are allocated to the Veritas Group in proportion to its ownership interest. Depending on the company's business sector, the most representative factor among those available in Open CEDA was assigned. The emission factors used are from the Open Ceda 4.0 International (Watershed) database: *waste management remediation services, architectural, engineering and related services, computer systems design services, scientific research and development services, rail transportation*. This category was not considered significant in 2024.

With respect to the significant Scope 3 categories, the reporting period for the quantification of the Group's GHG emissions is the 2025 calendar year. For the spend-based approach, where the 2025 data is not available, the estimates are based on the 2024 data.

Pursuant to a materiality and applicability assessment conducted on the various Scope 3 categories of indirect emissions, categories 8, 9, 11, 13 and 14 were not reported because they are not applicable to the Veritas business model. The information used for the spend-based approach refers to purchase orders issued in 2025, thus from December 2024 to November 2025.

With respect to Scope 3 category 1 emissions, it was necessary to restate the figures published in the 2024 Sustainability Report (1,801,014 tCO_{2e}), due to a refinement of the data collection process for certain reagents. Therefore, for 2024, the Scope 3 category 1 emissions, total Scope 3 emissions, total emissions, and emissions intensity reported in the table below have been revised.

Compared to 2024, the total CO_2 emissions increased by 84% for the location-based method and by 76% for the market-based method, based on the updated data. The increase in CO_2 emissions is due primarily to the rise in Scope 3, category 5 emissions, resulting from a change in the calculation methodology (from economic value to quantity), and due in part to category 1 emissions following the restatement. The other Scope 3 emissions decreased, with the exception of business travel (category 6), while Scope 3 emissions increased for the processing of sold products (category 10), the end-of-life treatment of sold products (category 12), and financial investments (category 15), which were not material in 2024. For Scope 3 emissions, category 5 (waste generated in operations) accounts for 44% of the total location-based emissions. Business travel, commuting, end-of-life product treatment, and financial investments account for less than 1%, while the processing of products sold accounts for 3% of total emissions.

Scope 1 emissions increased by 11%, while Scope 2 emissions decreased by 17% for the location-based method and by 13% for the market-based method, consistently with the energy consumption trends.

GHG emission intensity based on net revenues

	2024	2025
Total GHG emissions (market-based) per net revenue (tCO_2/monetary unit)	0.00052	0.00089
Total GHG emissions (location-based) per net revenue (tCO_2/monetary unit)	0.00047	0.00084

GHG emission intensity was calculated as the ratio between the total market-based and location-based emissions and the total net revenues (approximately € 539 million in 2025 and € 526 million in 2024).

Pollution [ESRS E2]

Pollution prevention and control are central pillars of the Veritas Group's activities and an integral part of the Group's approach to environmental sustainability. The main operational areas with potential pollution impacts (air and water pollution in particular) are waste treatment, wastewater purification and crematorium operation.

For more information on the process used to identify the impacts, risks and opportunities, see the section on ESRS 2, SBM-3.

IMPACTS

✓	Positive impact from the reduction of emissions from users' water discharges thanks to the wastewater purification activity.
✗	Negative impact on air pollution caused by (non-GHG) air emissions produced by the organization's facilities and activities and throughout the value chain.

− RISKS	+ OPPORTUNITIES
Risk related to the generation of air emissions (nitrogen and sulfur oxides, etc.) produced by the Group's activities and by waste treatment and crematoriums that could lead to penalties, higher emission reduction costs and potential reputational damage.	Opportunity from the wastewater purification activity (reduction of emissions from water discharges), with consequent improvement in environmental indicators (Arera indicator M6) and access to potential reputational rewards and benefits.

Policies related to pollution [E2-1]

The Veritas Group is committed to preventing and managing the negative impacts and risks of the pollution associated with its activities, while harnessing opportunities for improvement, and underlines its commitment and operational guidelines in its *Strategy*, *Management System* regulations and procedures, *Integrated Management System Policies, Service Management Policies*, *Code of Ethics* and the following *Service Charters*: *Integrated Water Service Charter, Integrated Municipal Waste Management Service Charter* and *Cemetery Service Charter.*

- *Strategy*

The Veritas Group's Strategy, detailed in the section on ESRS E1, E1-2, is a formal document that sets out the Group's main long-term objectives and the strategies to achieve them.

In its *Strategy*, the Group states its objective and commitment to protecting the water supply sources by preventing pollution; the completion and improved efficiency of the basin's sewerage networks and the strengthening and adaptation of wastewater purification technologies for the dual purpose of complying with the Venice lagoon protection regulations and local and national standards, and improving the overall industrial performance.

■ *Management system regulations and procedures*

Integrated management systems consist of the set of documents that break down the organization's activities, ranging from the policies defined to the targets set for each process that the Group uses to ensure the services where it operates, managing impacts, risks and opportunities. For details, see the sections on ESRS E1, E1-2 and ESRS G1, G1-1.

On this front, the Veritas Group works to prevent pollution by monitoring and managing responsibly the air and water emissions, where present, in full compliance with the environmental regulations.

■ *Integrated management system policies*

In applying the UNI standard-compliant management systems, all the Veritas Group companies have formulated integrated quality, environmental and safety policies that are posted in their offices and published on their websites. The policies are approved by the general management. The policies reflect the Group's strategy that requires establishing and implementing cultural, organizational, engineering and technological processes in which the topics of environmental protection, limited primary resource use, energy savings, energy efficiency and renewable energy use, along with the economic and financial sustainability of the initiatives, are always in the foreground, as are the health and safety of the organization's people.

■ *Service management policies*

The policies for operating the waste management services, integrated water service and cemetery services (for details see the section on ESRS E1, E1-2) set the general principles and guidelines for effective, efficient, sustainable and safe management of the Group's services.

With respect to pollution, all the policies ensure the protection and safeguarding of natural resources; compliance with regulatory and authorization requirements, and the consistency of the activities carried out with the international management systems; and responsible management of the natural resources used by adopting solutions intended to protect the environment, and prevent and reduce the environmental impact of the activities for the benefit of present and future generations.

■ *Integrated water service charter*

The *Integrated Water Service* Charter, approved at the Venice Lagoon Basin Council's General Meeting, is an integral and qualifying element of the integrated water service management policy (for details see the section on ESRS E3, E3-1). The *Charter* applies to the water and sewerage services provided in the municipalities of the Venice Lagoon Basin Council and involves, in addition to the local users, the responsible Authority and consumer and trade organizations. The *integrated water service charter* is available on the organization's intranet and websites and on the Venice Lagoon Basin Council's website. The *Charter* was drawn up in compliance with the applicable regional and national regulations and in implementation of the directives issued by the Prime Ministerial Decree of January 27, 1994 "Principles on the supply of public services", by the Prime Ministerial Decree of April 29, 1999 "General framework for the preparation of the integrated water service charter" and by Arera Resolution 655/2015 "Regulation of the contractual quality of the integrated water service, or of each of the services that compose it".

The *Charter*, which applies to all services offered within the scope of the water segment, including purification, reiterates the commitment to protect the environment, with a focus on minimizing the impacts of all the activities through the adoption of any measure that can promote resource recovery and prevent any dispersion into the air, water or soil that could compromise human health or the ecological balance. The *Charter* also states that companies working on behalf of Veritas are required to comply with the same quality standards, and adopt business practices that respect the environment.

Integrated municipal waste management service charter

With its *integrated municipal waste management service charter,* approved by the Venice Environment Basin Council and published on the organization's websites and intranet and on the Venice Environment Basin Council's website, Veritas, as a municipal waste management operator, states the obligations and quality levels expected for the services supplied and their methods of use, including the rules for interaction and communication between the users and the operator. The *Charter*, which is shared with consumer organizations, applies to the municipalities receiving the service, and concerns waste collection and transportation services, street sweeping and cleaning, the rate management service, and relationships with users. The *Charter* is drawn up in compliance with the applicable regional and national regulations and in implementation of the directive issued by the Prime Ministerial Decree of January 27, 1994 “Principles on the supply of public services”, Arera Resolution 15/2022 “Regulation of the municipal waste management service quality”, which approved the *Consolidated Law for the regulation of municipal waste management service quality* (Tqrif), and Legislative Decree 222/2024.

With respect to pollution, the *Charter* reiterates the commitment to protecting the environment and the intention to guarantee the efficiency of the equipment and systems used and the constant monitoring of emissions and dispersions into the soil, air and water.

Cemetery service charter

The *cemetery service charter*, approved by the Municipality of Venice and published on the organization's websites and intranet and on the Municipality of Venice's website, is a statement of the service standards offered to the resident user. The scope of application of the *service charter* concerns cemetery operations relating to the handling of the body (excluding the cremation services at the San Michele in Isola cemetery in the historic center of Venice), the cleaning and maintenance of the cemetery premises under Veritas spa's responsibility, and votive lighting services. The Charter is primarily for the residents who use these services, but also for the competent Authority and consumer and trade organizations involved in the periodic updating and the communication of revisions.

The Charter was drawn up in compliance with the applicable regional and national regulations and in implementation of the directives issued by the Prime Ministerial Decree of January 27, 1994 “Principles on the supply of public services”, by the Prime Ministerial Decree of April 29, 1999 “General framework for the preparation of the integrated water service charter” and by Arera Resolution 655/2015 “Regulation of the contractual quality of the integrated water service, or of each of the services that compose it”.

With this Charter, Veritas spa, as the service operator, undertakes to respect the environment and minimize the impacts of all the activities performed by taking all initiatives that can promote resource recovery and prevent dispersions into the air, water or soil that could harm health and the environment. Companies working on behalf of Veritas are required to comply with the same quality standards, and adopt business practices that respect the environment.

Code of Ethics

The Group's *Code of Ethics* (for details see the section on G1-1, Code of Ethics) establishes the general guidelines on the relationship with the environment, climate change and sustainability. It formalizes the Group's commitment to pursuing environmental protection, with a view to continuously improving its services. The Group states its commitment to promoting interactive dialogue with all the stakeholders and to adopting sustainable social and ecological behaviors compatible with ESG parameters.

Actions and resources related to pollution [E2-2]

In order to achieve the strategic objectives related to pollution, and to prevent, mitigate and manage negative impacts and risks and pursue opportunities, the Veritas Group has adopted the actions detailed below.

One of the most important aspects of wastewater management to consider from an environmental perspective is the presence of pollutants and any pathogenic microbes in the wastewater. The purification plant's efficiency rates, corresponding to the rates of removal of the various pollutants, is expressed as a percentage of the pollutant loads present at the discharge compared to those present in the incoming wastewater.

For each purification plant, the pollutant loads received from the sewerage system and contained in the incoming waste and the related loads detected in the purified wastewater discharged into the surface water are analyzed. This information is made available to the residents and shareholders in the water resource traceability document published on the organization's websites and intranet. The abatement yields of the main macro-pollutants have increased considerably over the last decade thanks to important plant and operational improvements.

The actions implemented respond to the Group's strategic objectives and are grouped according to the related time horizons and according to the reduction of water and atmospheric emissions and the prevention of soil pollution. They extend over a time horizon covering the current duration of the service contracts.

The actions begun regard technological adaptations to reduce hydraulic risk in the area and protect the lagoon environment, increase the capacity of purification treatments, and reduce pollutant loads.

The 2025 capital expenditure was approximately € 16 million.

Targets related to pollution [E2-3]

The Veritas Group's pollution targets are stated in the 2026-2030 *Business and Adaptation Plan* and address the pollution-related material **impacts**, **risks** and **opportunities**. The targets reported below refer to improving the performance with respect to the Arera regulations.

Reduction of water waste and air emissions

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Work to eliminate spill-overs in the Lusenzo Lagoon (Chioggia)					
Integrated water service	In 2023, the project to build a new rainwater tank reached 35% completion	2027*	Entities | Residents	% of work completed according to plan	Work implemented according to plan
General adaptation of sewerage and purification plants project					
Integrated water service	In 2023, the project to build pipeline reached 10% completion	2025	Entities | Residents	% of work completed according to plan	The project was completed in 2025.
Integrated Fusina project (PIF) primary treatments					
Integrated water service	In 2023, the project for the renovation and construction of a new section reached 25% completion	2028	Entities | Residents	% of work completed according to plan	Work implemented according to plan
BAT Eco+Eco *valorizza* thermal plant					
Eco+Eco	In 2023, the renovation project reached 43% completion	2029**	Entities | Residents Future generations	% of work completed according to plan	Work implemented according to plan
Continuous monitoring service for the sewer system to control infiltration					
Integrated water service	In 2023, the installation project reached 33% completion	2025	Entities | Residents Users | Shareholders Future generations	% of work completed according to plan	The project was completed in 2025.
New sewer system in Villaggio San Marco					
Veritas	In 2023, the project to build a new sewerage system reached 35% completion	2027	Entities | Residents Users | Shareholders Future generations	% of work completed according to plan	Work implemented according to plan

*The target year was postponed from 2025 to 2027 due to an expansion of the work.
** The project is part of a broader investment in the restructuring of the entire technology hub.
*** The project has been postponed.

Pollution of air, water and soil [E2-4]

The Veritas Group adopts consolidated methodologies to monitor the emissions, in full compliance with the current environmental regulations and authorizations and in keeping with the management systems. Each potentially polluting activity is subject to specific authorization procedures that establish emission parameters and limits to protect the environment and public health. The environmental monitoring plans, prepared in compliance with the authorizations, include periodic measurements of the parameters stated to correctly identify the plants' emissions.

Within the scope of its operating activities, the Veritas Group generates atmospheric emissions attributable mainly to the incinerators of unsorted municipal waste (Eco+Eco *valorizza*) and crematoriums (in Marghera, Spinea and Conegliano). The emissions are monitored constantly using specific systems and protocols, in line with the current environmental regulations, in order to ensure the containment of the impacts and compliance with the authorization limits.

The emissions to water, significant for the Veritas Group, are attributable largely to wastewater treatment and purification within the integrated water service. In fact, all the plants send the previously treated wastewater to the municipal sewer system and thus to the purification plants. The treated wastewater comes from the municipal sewer system, with the exception of the Sg31 purification plant, which collects wastewater from the industrial sewer system in the Porto Marghera area. Once subjected to the purification processes, the wastewater is returned to the environment according to the quality parameters set by the legislation. The Group operates 34 purification plants, including 6 Imhoff tanks, within the scope of the integrated water service, an industrial wastewater purification plant (Sg31), a special liquid (hazardous and non-hazardous) waste treatment plant (Depuracque) and 36 purification plants in the historic center of Venice for the Municipality.

The main outflow from the purification system of the integrated water service is undoubtedly purified and disinfected water, compatible with the water bodies into which the purification plants discharge. Wastewater treatment represents an essential environmental function: although the discharges exiting the purification plants contain residual pollutants, they are the result of the removal and containment of much higher concentrations present in the incoming wastewater. In fact, the purification process separates and reduces the majority of the contaminants, contributing concretely to the protection of the aquatic ecosystems. The abatement rate of the purification plants is 90% on average for the main pollutants (chemical oxygen demand, biochemical oxygen demand, total suspended solids, total nitrogen, total phosphorus).

The discharge permits set specific limits for each plant, with more stringent requirements in areas classified as sensitive, in line with the national and EU legislation. All plants operated by the Group operate in compliance with these limits, ensuring ongoing and effective environmental protection.

Annually, for these plants, regardless of their capacity and excluding the Imhoff tanks, an analytical control plan for wastewater input and output is drawn up, which defines the frequencies of self-monitoring assessments, consistently with the applicable legislation and as agreed upon with the control entities. Nine plants are required to submit the European Pollutant Release and Transfer Register (E-PRTR) statement, and of these, 6 plants discharge directly into water and 3 plants discharge into the sewer system and then the flow goes to another purification plant, without direct discharge into water. Among the latter, the Depuracque plant discharges, after the treatment, into the sewer system and the flow goes to the Fusina plant which, together with Sg31, sends the wastewater, for additional refinement, to the Fusina integrated project (PIF) plant, owned by Sifa and operated by Veritas, which discharges into the sea.

In compliance with Regulation (EC) 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register, E-prtr - Annex II), the mapping and analysis of data collected from the Group's plants allows for identifying and monitoring emission-relevant substances. No thresholds for releases to land and air as per Annex II were exceeded. With respect to releases to water, the pollutants reported in the E-prtr statements of the six plants that release to water are set forth in the following tables.

Purification plants, releases to water: amounts in E-prtr statements - 2024 data

pollutant	Caorle	Cavallino Treporti	Jesolo	Campalto	Chioggia
Total nitrogen (t/yr)			59.727	125.393	52.502
Phosphorus (kg/yr)				9878.845	
Arsenic (As) and compounds (kg/yr)	7.607	10.22	15.808	41.919	34.107
Copper (Cu) and compounds (kg/yr)				103.271	
Nickel (Ni) and compounds (kg/yr)			22.745	59.491	20.676*
Zinc (Zn) and compounds (kg/yr)	331.897	172.2	327.525	465.25	761.21
Dichloromethane (DCM) (kg/yr)			22.745	45.763	20.676*
Hexachlorobutadiene (HCBD) (kg/yr)	1.811*	1.479*	4.549*	9.153*	4.135*
Tetrachloromethane (TCM) (kg/yr)	1.811*	1.479*	4.549	9.153*	4.135*
Trichlorobenzenes (TCB) (kg/yr)	1.811*	1.479*	4.549	9.153*	4.135*
Anthracene (kg/yr)	18.112*	14.788*	45.49*	91.525*	41.352*
Nonylphenol and Nonylphenol ethoxylates (NP/NPE) (kg/yr)				1.382	
Naphthalene (kg/yr)	18.112*	14.788*	45.49*	91.525*	41.352*
Polycyclic aromatic hydrocarbons (PAHs) (kg/yr)			45.49*	91.525*	
Chlorides (t/yr)	3572.797	2856.94	3581.369	4855.83	61692.35
Fluoranthene (kg/yr)	18.112*	14.788*	45.49*	91.525*	41.352*
Benzo (g, h, i) perylene (kg/yr)	18.112*	14.788*	45.49*	91.525*	41.352*

Purification plants, releases to water: amounts in E-prtr statements - 2025 data

pollutant	Caorle	Cavallino Treporti	Jesolo	Campalto	Chioggia
Total nitrogen (t/yr)	–	–	58.32	122.755	52.83
Phosphorus (kg/yr)	–	–	–	10,202.02	-
Arsenic (As) and compounds (kg/yr)	7.84	15.76	16.1	40.26	23.11
Copper (Cu) and compounds (kg/yr)				70.55	
Nickel (Ni) and compounds (kg/yr)			22.356*	44.539*	
Zinc (Zn) and compounds (kg/yr)	331.708		289.505	488.145	494
Chloralkanes (C10-13)	1.73*	1.23*	4.47*	8.91*	3.31*
Dichloromethane (DCM) (kg/yr)			22.353*	44.539*	16.551*
Hexachlorobutadiene (HCBD) (kg/yr)	1.73*	1.23*	4.47*	8.91*	3.31*
Tetrachloromethane (TCM) (kg/yr)	1.73*	1.23*		8.91*	
Trichlorobenzenes (TCB) (kg/yr)	1.73*	1.23*	4.47*	8.91*	3.31*
Polybrominated diphenyl ethers (PBDE) (kg/yr)		1.23*	4.47*	8.91*	3.31
Ethylene oxide (kg/yr)	474.4*	339.35*	1,229.56*	2,449.63*	910.3*
Naphthalene (kg/yr)					
Total organic carbon (kg/yr)				52.556	
Chlorides (t/yr)	4,421.225	3,089.029	3,521.67	4,728.935	69,293
Cyanides				57.9	
Hexabromobiphenyl (kg/yr)	1.73*	1.23*			3.31*

* The excess is due to the application of the medium-bound method; the amounts found were all below the instrumental detection limit.

Fusina Integrated Project, releases to water: amounts in E-prtr statements

pollutant	2024	2025
Total nitrogen (t/yr)	302.53	235.064
Total phosphorus (kg/yr)	14,001	10,601.18
Arsenic (As) and compounds (kg/yr)	159.786	157.23
Chromium (Cr) and compounds (kg/yr)	54.352	–
Copper (Cu) and compounds (kg/yr)	126.319	98.89
Mercury (Hg) and compounds (kg/yr)	1.195*	1.05*
Nickel (Ni) and compounds (kg/yr)	281.827	158.22
Lead (Pb) and compounds (kg/yr)		94.44
Zinc (Zn) and compounds (kg/yr)	1,789.1	1,300.34
Aldrin (kg/yr)	23.905*	21.01*
Atrazine (kg/yr)	23.905*	21.01*
Chlordane (kg/yr)	2.39*	21.01*
Chloralkanes (C10-13)		21.01*
DDT (kg/yr)	23.905*	21.01*
1,2-dichloroethane (EDC) (kg/yr)	23.905*	21.01*
Dichloromethane (DCM) (kg/yr)	119.525*	105.07*
Dieldrin (kg/yr)	2.39*	2.1*
Diuron (kg/yr)	23.905*	21.01*
Endosulphan (kg/yr)	23.905*	21.01*
Endrin (kg/yr)	2.39*	2.1*
Heptachlor (kg/yr)	2.39*	2.1*
Hexachlorobenzene (HCB) (kg/yr)	2.39*	–
Hexachlorobutadiene (HCBD) (kg/yr)	23.905*	21.01*
Halogenated organic compounds (kg/yr)	1,611.195	–
Lindane (kg/yr)	2.39*	2.1*
Pentachlorobenzene (kg/yr)	2.39*	2.1*
Pentachlorophenol (PCP) (kg/yr)	1.195*	1.05*
Simazine (kg/yr)	2.395*	2.1*
Tetrachlorethylene (PER) (kg/yr)	23.905*	21.01*
Tetrachloromethane (TCM) (kg/yr)	23.905*	2.1*
Trichlorobenzenes (TCB) (kg/yr)	23.905*	21.01*
Trichloroethylene (TRI) (kg/yr)	23.905*	21.01*
Trichloromethane (kg/yr)	26.865*	28.68
Toxaphene		2.1*

pollutant	2024	2025
Vinyl chloride (kg/yr)	23.905*	21.01*
Anthracene (kg/yr)	239.05*	–
Nonylphenol and Nonylphenol ethoxylates (NP/NPE) (kg/yr)	2.893	–
Ethylene oxide		5,778.61*
Isoproturon (kg/yr)	2.39*	2.1*
Naphthalene (kg/yr)	239.05*	–
Di-(2-ethyl hexyl) phthalate (DEHP) (kg/yr)	2.39*	2.1*
Polycyclic aromatic hydrocarbons (PAHs) (kg/yr)	239.05	–
Total organic carbon (kg/yr)	169.725	123,977
Chlorides (t/yr)	11,644.627	10,720.97
Cyanides (kg/yr)	239.05*	210.13*
Fluorides (kg/yr)	19,636.229	19,332.07
Octylphenols and Octylphenol ethoxylates (kg/yr)	1.195*	–
Fluoranthene (kg/yr)	239.05*	–
Isodrin (kg/yr)	2.39*	2.1*
Benzo(ghi)perylene (kg/yr)	239.05	–

* The amounts exceed the limits for using the medium-bound method; the amounts found were all below the instrumental detection limit.

The analyses are conducted by the Veritas laboratory and the tests are accredited according to the UNI CEI EN ISO/IEC 17025 standard. The analysis criteria are defined by the guidelines of the National System for Environmental Protection. In the above statements, the medium bound criteria was used: when the parameter is a sum of the concentrations of multiple substances, the substances found in a concentration lower than the limit of quantification ("LOQ") contribute with a concentration amount equal to half of their LOQ in the calculation of the sum. In this method, the unidentified compounds are treated as if they were present at half of the LOQ, providing a more conservative estimate than the upper-bound method (where the maximum possible concentration, i.e. the LOQ itself, is assumed).

Potential financial effects from pollution-related impacts, risks and opportunities [E2-6]

During the reporting period, there was no capital expenditure incurred because no serious incidents relating to pollution occurred.

Water and marine resources [ESRS E3]

Sustainable management of water resources is a strategic area for the Veritas Group, which provides services that include water withdrawal, purification and distribution for civil and industrial uses, as well as the collection and purification of domestic and industrial wastewater.

For more information on the process used to identify the impacts, risks and opportunities, see the section on ESRS 2, SBM-3.

IMPACTS	
✓	Positive impact from the reuse by users/customers and Group companies of water from sewage treatment plants, for industrial and irrigation uses.
✕	Negative impact linked to excessive water consumption due to scarce attention to water resources.
✕	Negative impact from the consumption by users, with a consequent increase in water withdrawals and a long-term decrease in the aquifer, aggravated by users' possible lack of awareness of their water use and by higher temperatures, particularly in summer.

RISKS	OPPORTUNITIES
Risk generated by an increase in consumption by users, causing an increase in water withdrawals and leading to higher withdrawal costs and a worse environmental performance (Arera indicator M0), with the related penalties.	Opportunities from investments in the use of recycled water, which can reduce water withdrawal and the related costs and lead to reputational benefits and an improvement in the environmental indicators concerning the management of water resources (Arera M0 indicator), with the related rewards.

Policies related to water and marine resources [E3-1]

The area served by the Veritas Group has a good supply of water resources, consisting of both rivers of considerable importance (such as the Sile, Brenta and Piave rivers) and numerous secondary watercourses. Thanks to its geological features, the area includes a very precious spring zone. Most of the water supplied by the aqueduct system is extracted from the aquifer through wells. A minor portion of the water comes from rivers and is treated in water purification plants: this is an efficient system that enables dealing with peaks in demand, especially in the tourist season, and other issues, such as extensive seawater intrusion.

As an integrated water service operator, the Veritas Group sets policies to manage water resources responsibly, as formalized in the *Strategy*, the management system regulations and procedures, the *integrated management system policies*, the *integrated water service management policy*, the *integrated water service charter*, the *municipal water cycle - water resource traceability* document and the *Code of Ethics*. Many of the Group's investments are geared to maintaining a constant supply of resources.

Strategy

The Veritas Group's *Strategy* (for details see the section on ESRS E1, E1-2) is a formal document that defines the Group's key long-term commitments and the strategies to achieve them.

In the Strategy, the Group states its commitments to protecting water, which include the pursuit of a growing and absolute protection of water supply sources through pollution prevention, the treatment/filtration of the water matrix, and policies to save drinking water; the development, expansion and renovation of water distribution infrastructure networks; the completion and improved efficiency of the basin's sewerage networks and the strengthening and adaptation of wastewater purification technologies for the dual purpose of complying with the Venice lagoon protection regulations and local and national standards, and improving the overall industrial performance; the maintenance of the organization's methodical response to the hydraulic structure of the area, in coordination with the local authorities. All this is consistent with the intention to ensure an efficient, sustainable and widespread service, reducing water losses and improving the overall operation of the distribution system.

Management system regulations and procedures

Integrated management systems consist of the set of documents that break down the organization's activities, ranging from the policies defined to the targets set for each process that the Group uses to ensure the services where it operates, managing impacts, risks and opportunities. For details, see the sections on ESRS E1, E1-2 and ESRS G1, G1-1.

For the Veritas Group, which operates in the integrated water services sector, the adoption of a certified quality and environmental management system guarantees structured and responsible environmental management of water resources throughout the entire supply chain, from collection to distribution, up to purification. This approach makes it possible to monitor and reduce the environmental impacts, promote consumption efficiency and adopt preventive measures against environmental risks and contamination, in line with the commitments to protect and improve water sources.

- *Integrated management system policies*

In applying the UNI standard-compliant management systems, all the Veritas Group companies have formulated integrated quality, environmental and safety policies that are posted in their offices and published on their websites. The policies are approved by the general management. The policies reflect the Group's strategy that requires establishing and implementing cultural, organizational, engineering and technological processes in which the topics of environmental protection, limited primary resource use, energy savings, energy efficiency and renewable energy use, along with the economic and financial sustainability of the initiatives, are always in the foreground, as are the health and safety of the organization's people.

- *Integrated water service management policy and municipal water cycle - water resource traceability document*

Within its *integrated water service management policy* (for details see the section on ESRS E1, E1-2), the following topics regarding the management of water resources are important: protecting water resources, reducing impacts involving its use, saving natural resources and reusing purified water. To that effect, through the protection of water supply sources and policies for saving and reusing water resources, the integrated water service management ensures responsible management of natural resources in order to prevent and reduce the environmental impact of the Group's activities.

In addition to the above *Policy*, since 2023, with annual updates, the integrated water service management, in collaboration with the sustainability, environment and safety office, has prepared a *municipal water cycle - water resource traceability* document with the following purpose: to share, with simplification, knowledge of a complex system that brings water from underground aquifers or rivers to homes and from there, purifying it, to the sea or rivers and canals. The idea is to make all residents aware of the withdrawal points, consumption and treatment processes of this vital resource, since water and its healthiness are not guaranteed forever, and protecting them is a collective responsibility. In times of climate emergency, greater awareness of the forms of the water service, of its close relationship with the physical limits of natural resources and of the ecological services that water performs as an essential element for every form of life, can truly make a difference. In fact, public water management is not just an industrial or economic matter; it increasingly takes on a social and cultural role related to the new universal sustainability and circularity standards for the sustainable extraction of the natural capital. For these reasons, a water operator must play an active role in the dissemination of content aimed at promoting virtuous behavior by users, guiding them toward a more rational and conscious use of water resources. The integrated water service is a public service, and as such has the duty to combine efficient management, investments, concepts and sustainability practices with the values of the local area, of the people who live there and of quality of life. This is why the residents must be put in a position to grasp the importance of the service in all its complexity: to act, it is necessary to know. In-depth studies, analysis and communication of data are also required on other fronts; one need look no further than the recent adoption by the European Commission of the *Delegated Regulation of the EU Taxonomy* for environmental objectives. The new Community tool is a classification system of economic activities designed to verify their consistency with the environmental objectives of the European *Green Deal*: climate change mitigation, adaptation to climate change, sustainable use and protection of water resources, circular economy, pollution prevention and reduction, protection and restoration of biodiversity and ecosystems. All these topics are addressed in the report submitted to the parent company's Board of Directors that aligns with the objectives of the *business plan*, of which the specific capital expenditures are reported and published on the organization's website and intranet.

- *Integrated water service charter*

The integrated water service charter (for details see the section on ESRS E2, E2-1) is an integral and qualifying element of the integrated water service management policy. In the *Charter*, the Group undertakes to comply with various established service quality parameters, whose indicators are constantly monitored and reported to general management, which evaluates the progress made and includes them in its planning documents alongside the objectives identified by the stakeholders and on the basis of the information provided by the Regulatory Authority for Energy Networks and Environment (Arera).

The *Charter* formalizes the Group's commitment to protecting water resources, whose uncontrolled use could lead to their depletion, and to promoting their sustainable use. The *Charter* ensures the care and monitoring of the aquifer and springs and the efforts to finding water leaks in the distribution networks. It is also important for the Group to return to the environment water that is as close as possible to that withdrawn in terms of quality, so it is committed to repairing the sewer pipes and upgrading the purification services with new technology.

- *Code of Ethics*

The Group's *Code of Ethics* (for details see the section on ESRS G1, G1-1) establishes general guidelines on relations with the environment, climate change and sustainability. It formalizes the Group's commitment to pursuing environmental protection, with a view to continuously improving its services. The Group states its commitment to promoting interactive dialogue with all the stakeholders and to adopting sustainable social and ecological behaviors compatible with ESG parameters.

Actions and resources related to water and marine resources [E3-2]

As part of its environmental commitments regarding the sustainable management of water resources, the Veritas Group has defined an action plan aimed at reducing the potentially negative impacts associated with its activities, containing environmental risks and pursuing the opportunities arising from a more efficient and conscious use of water resources. These actions and investments were determined taking into account that the area where the Group operates is classified as a general water risk zone and medium-high water stress zone, according to the *Water Research Institute (Aqueduct)*, and they aim to mitigate the impacts and risks associated with the supply and quality of water resources in the areas most exposed to these issues. The initiatives implemented meet the Group's strategic objectives, stated in the *business plan*, and extend over a time horizon covering the current duration of the service engagements; they are described below.

The Group's medium-term actions are intended to optimize and develop distribution and supply systems on the one hand and reduce water consumption on the other. The 2025 capital expenditure was approximately € 25 million.

Other actions underway relate to raising the awareness of the shareholders, users and local communities, in part with a dedicated area of the website; thanks to training at schools on proper water use; a widespread information campaign for condominium managers to boost controls, especially in the seaside areas of tourist rentals; a project with WWF on plastic smart cities involving water use, with the creation of brochures for tourists.

Targets related to water and marine resources [E3-3]

In the *2026-2030 Business and Adaptation Plan*, the Veritas Group identified specific strategic targets relating to water resource management, with the aim of responding in a structured manner to the environmental impacts associated with its activities. The targets guide the Group's actions in assessing and managing the main risks and in seizing the opportunities for sustainable water use. The leak detection target is the only mandatory one as it refers to Arera regulations.

Optimization and development of distribution and supply systems

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Completion of new water supply plant					
Integrated water service	In 2023, the New Tronchetto plant project implementation reached 43% completion	2027	Entities | Residents Users | Shareholders	% of completion	Work implemented according to plan
Completed renovation of supply networks and tanks with replacements					
Integrated water service	In 2023 the project reached 95% of completion	2025	Entities | Residents Users | Shareholders	% of completion	The project was completed in 2025.

Reduction of water consumption

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Monitoring of water leaks with innovative techniques and Moglianese pilot project					
Integrated water service	In 2023 the project reached 0% of completion.	2025	Entities | Residents Users | Shareholders	% reduction of losses according to data analysis	The project was completed in 2025
Installation of hydraulic connections and shut-off and control valves needed to operate the drinking water network					
Integrated water service	In 2023, the project for implementing the work and installing instruments reached 0%	2025	Entities | Residents Users | Shareholders	% of completion	The project was completed in 2025

Water consumption [E3-4]

In 2025, the Group used approximately 9 million cubic meters of water to carry out its activities (4.8 in 2024), supplied from various sources: 91% is mainly groundwater or surface water, and thus drinking water, 3% comes from canals or wells or lagoons, and thus is non-drinking water, and the remaining 6% is reused or internally recirculated water, i.e. water used previously and subsequently reused.

With respect to drinking water, 89% of the 2025 withdrawals (7,386,139 cubic meters) is attributable to the integrated water service, particularly for cleaning the water networks and water purification plants. The remaining 11% (928,316 cubic meters) was used for company premises (offices, locker rooms with showers, waste management plants).

The non-drinking water withdrawn (308,657 cubic meters; 304,199 in 2024) was used in some of the Group's plants for specific operations; in particular, at the Veritas Mirano transfer station, for washing vehicles and waterproofed surfaces and for the fire-fighting system, and at the Eco+Eco Valorizza and Depuracque plants for industrial processes.

In addition, the Group used 518,751 cubic meters of reused or internally recirculated water, of which 513,610 cubic meters came from Veritas's Fusina purification plant where it was reused by the same plant or at the subsidiary Rive, and 5,141 is reverse osmosis reject water of the Eco+Eco *valorizza* plant.

The following table shows all the volumes sourced, measured with meter readings.

Water resources sourced (in m³)

	2024	2025
Water resources sourced	**4,844,211**	**9,141,863**
of which drinking water withdrawals	4,037,766	8,314,455
of which drinking water withdrawals	304,199	308,657
of which reused or recirculated water	502,246	518,751

Water withdrawal (in m³)

	2024	2025
Water withdrawal	**4,341,965**	**8,623,112**

There is no withdrawal of water used by the Group companies in water risk zones or high water stress zones. According to the *World Resources Institute's Water Risk Atlas Aqueduct* classification, the area in which Veritas operates is characterized by a medium-high water stress level and general water risk. However, there was no water withdrawal by Group companies in areas classified as high water risk or high water stress. The information reflects the classification criteria adopted by the Group, which consider as "high water risk" or "high water stress" zones exclusively the locations falling within the highest risk classes according to the *Aqueduct* methodology.

The increase in drinking water withdrawal is attributable mainly to major maintenance work on certain DN 1200-diameter pipes, which required large amounts of water to flush the pipes over an extended period.

With respect to water consumption, the water withdrawn is almost entirely returned to the environment, apart from a small percentage of evaporation deemed insignificant. Moreover, the total water recycled and reused and the total water stored is zero; the changes in water stored are also zero. The water intensity related to consumption is negligible, since the Group returns almost all of the water to the environment. Instead, the water intensity referring to water withdrawal is the ratio between the withdrawals and net revenues (approximately € 539 million; € 526 million in 2024), and is 0.016 (m^3/mln €) (0.008 in 2024).

As explained in the section on ESRS E1, SBM 3, relating to climate scenario analysis with a long-term time horizon, climate change impacts considerably the availability and quality of water resources. Extreme weather events are increasingly widespread: droughts are to become more frequent, and at the same time precipitation is intensifying and accentuating. Drought and excess water are two sides of the same coin, closely related to each other. Furthermore, increasingly high temperatures lead to a higher concentration of pollutants and algal blooms, which cause risks of eutrophication in water bodies, making the obtainment of water resources even more difficult.

Biodiversity [ESRS E4]

The United Nations Convention on Biological Diversity defines biodiversity as the variability among living organisms and the ecological complexes of which they are part, including genetic diversity, diversity within and between species, and diversity of ecosystems. The Veritas Group recognizes biodiversity and ecosystems as essential natural infrastructure for the quality of the local area, the resilience of the communities served, and the continuity of local public services.

IMPACTS

✓	Positive impact from CO_2 absorption thanks to tree planting.
✓	Positive impacts on the tree population due to the Depuracque servizi park management, tree planting and replacement of plants at cemetery sites by Veritas, and on the bee population from bee-keeping activities (at landfills).

Transition plan and consideration of biodiversity and ecosystems in strategy and business model [E4-1]

The Veritas Group recognizes biodiversity and ecosystems as fundamental elements for the capacity to adapt to local conditions and necessary to ensure the continuity of the services provided. In 2025, the Group developed a biodiversity strategy, a document outlining the framework through which the Group integrates these aspects into its business development strategies, business model, planning processes, and sustainability reporting.

For the Group, this integration involves assessing the implications for biodiversity in the decisions regarding maintenance, green space management, wastewater treatment, landfill control, renaturalization, interventions in buffer zones, and the management of sites that interact with aquatic and lagoon ecosystems.

The Veritas Group drafted the *Biodiversity Action Plan* to improve its business model and its strategy and, ultimately, align them with the vision of the post-2020 global biodiversity framework goals and targets, the EU Biodiversity Strategy for 2030, while respecting planetary boundaries related to the integrity of the biosphere and changes in soil systems.

The physical risks associated with biodiversity loss regard permits for sites and activities that may require adaptation, resulting in higher costs. Another risk relates to the company's reputation.

The Veritas Group recognizes that, in order to maximize the effectiveness of its initiatives, the structured involvement of key stakeholders is needed, such as local entities, scientists, associations, and affected communities, during both the assessment and implementation phases. The Group considers collaborations with universities, the Natural History Museum, nature conservation organizations, and local stakeholders particularly valuable for census, monitoring, disclosure and restoration activities. In line with this approach, the Strategy also places value on internal training, environmental education, and communication with employees, suppliers, shareholders, schools, and local communities, since the quality of the ecological transition also depends on the ability to foster awareness, shared responsibility, and social acceptance of the actions taken.

Material impacts, risks and opportunities and their interaction with strategy and business model [E4– SBM-3]

In the *National Biodiversity Strategy*, the Ministry of the Environment has defined the following eco-regions: broad and discrete ecologically homogeneous areas within which natural communities and species interact with the physical elements of the environment. They are areas with similar ecosystem potential and provide an optimal territorial and geographic framework for interpreting ecological processes, disturbance systems, the spatial distribution of vegetation, and the various landscapes.

The area where the Veritas Group operates is in Eco-region 1B — the Po Valley Province — and is further subdivided in Section 1B1 — the Po Valley section — which includes the 1B1a Lagoon and 1B1b Central Plain subsections. All of the priority sites are located in an area characterized by a high degree of landscape uniformity.

The area in question is home to numerous protected habitats, subject to various environmental protection regimes.

Below is a list of the Natura 2000 Network sites.

type	code	name	hectares	province	municipalities involved
SIC ZPS	IT3240008	Cessalto Forest	28	Treviso	Cessalto Ceggia
ZPS	IT3240011	Sile: springs, marshes of Morgano and Santa Cristina	1299	Padua, Treviso	Morgano Quinto, Treviso
ZPS	IT3240019	Sile River: Sile Morto and Ansa in San Michele Vecchio	539	Treviso, Venice	Quarto d'Altino
ZPS	IT3240023	Grave del Piave	4688	Treviso	Ormelle
SIC	IT3240028	Sile River from its headwaters to West Treviso	1490	Padua, Treviso	Morgano Quinto, Treviso
SIC	IT3240029	Livenza river basin and the lower course of the Monticano River	1955	Treviso, Venice	Cessalto, Ormelle, San Stino di Livenza, Torre di Mosto
SIC	IT3240030	Grave del Piave – Soligo River – Negrisia trench	4752	Treviso	Ormelle
SIC	IT3240031	Sile River from Treviso Est to San Michele Vecchio	753	Treviso, Venice	Quarto d'Altino
SIC	IT3240033	Meolo and Vallio Rivers	85	Treviso, Venice	Meolo
SIC ZPS	IT3250003	Cavallino Peninsula: coastal biotopes	315	Venice	Cavallino-Treporti
SIC ZPS	IT3250006	Lison Forest	6	Venice	Portogruaro
SIC ZPS	IT3250008	Former quarries in Villetta di Salzano	64	Venice	Martellago Salzano
SIC ZPS	IT3250010	Carpenedo woods	13	Venice	Venice
ZPS	IT3250012	Reghena and Lemene river basins – Cinto Caomaggiore quarries	461	Venice	Cinto Caomaggiore, Gruaro Portogruaro, Teglio, Veneto
SIC	IT3250013	Mort lagoon and Eraclea pine forest	214	Venice	Caorle, Eraclea, Jesolo
SIC ZPS	IT3250016	Gaggio quarries	115	Venice	Marcon, Quarto d'Altino, Venice
SIC ZPS	IT3250017	Noale quarries	43	Venice	Noale
SIC ZPS	IT3250021	Former Martellago quarries	50	Venice	Martellago, Venice
SIC ZPS	IT3250022	Bosco Zacchi	1	Venice	Cinto Caomaggiore, Pramaggiore
SIC ZPS	IT3250023	Venice Lido: coastal biotopes	166	Venice	Venice
SIC	IT3250030	Venice lower-middle lagoon	26385	Padua, Venice	Campagna Lupia Chioggia Mira Venice
SIC	IT3250031	Venice upper lagoon	20365	Venice	Cavallino-Treporti, Jesolo, Musile di Piave, Quarto d'Altino, San Donà di Piave, Venice
SIC ZPS	IT3250032	Bosco Nordio	157	Venice	Chioggia
SIC	IT3250033	Caorle lagoon, Tagliamento River mouth	4386	Venice	Caorle, Concordia Sagittaria, San Michele al Tagliamento
SIC	IT3250034	Residual dunes of Bacucco	13	Venice	Chioggia
ZPS	IT3250040	Tagliamento River mouth	280	Venice	San Michele al Tagliamento
ZPS	IT3250041	Valle Vecchia – Zumelle – Bibione Valleys	2089	Venice	Caorle, San Michele al Tagliamento
ZPS	IT3250042	Zignago – Perera – Franchetti – Nova Valleys	2507	Venice	Caorle, Concordia Sagittaria
ZPS	IT3250043	Garzaia della tenuta Civrana	24	Venice	Cona
SIC	IT3250044	Reghena and Lemene Rivers — Taglio Canal and adjacent irrigation ditches — quarries of Cinto Caomaggiore	640	Venice	Cinto Caomaggiore, Concordia Sagittaria, Fossalta di Portogruaro, Gruaro, Portogruaro, San Michele al Tagliamento, Teglio Veneto
ZPS	IT3250045	Le Marice marshes – Cavarzere	46	Venice	Cavarzere
ZPS	IT3250046	Venice Lagoon	55209	Padua, Venice	Lupia, Cavallino-Treporti, Chioggia, Jesolo, Mira, Quarto d'Altino, Venice, Musile di Piave, San Donà di Piave
SIC ZSC	IT3270017	Po delta: terminal section and Veneto delta	25364	Rovigo, Venice	Chioggia
SIC ZSC	IT3270023	Po delta: terminal section and Veneto delta	25013	Rovigo, Venice	Chioggia

The Veritas Group operates a widespread network of sites and facilities, the main ones being: operational and administrative premises; waste collection centers, transfer stations, and treatment/recovery facilities; landfills (post-operation, post-closure and one active); water treatment plants, wellfields and pumping stations; cemeteries and crematoriums. All the Group's locations have been referenced geographically and mapped in relation to the protected areas, significant habitats and the potential presence of protected or threatened species.

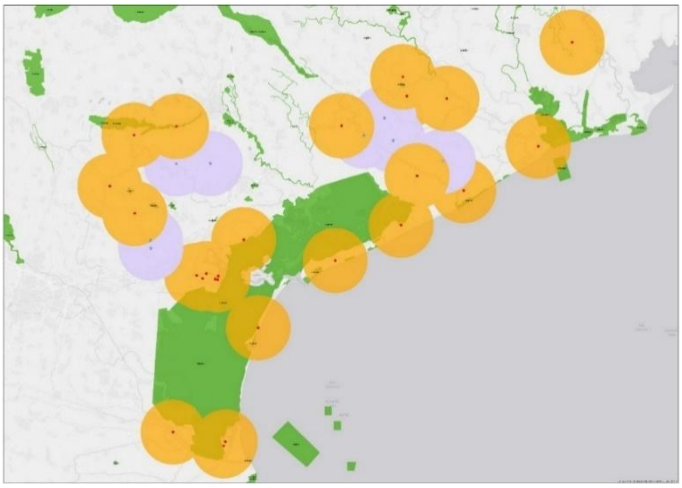
Sites identified as priorities are monitored for their potential effects on biodiversity, taking into account a radius of influence of up to 5 km from the protected areas (Natura 2000 Network). The priority sites are located in an area characterized by relatively homogeneous biodiversity and extensive ecologically uniform ecoregions.

The sites and activities were subsequently prioritized to focus the analytical and operational efforts on the areas where the direct footprint, proximity to sensitive areas, and ecological significance of the landscape warrant greater attention.

The following priority sites overlap with at least one protected area:

municipality	address	company	type	intersecting protected area code	protected area description	type
Venice	Via della Geologia, 31/1	Eco+Eco *recycle*	waste management plant	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
Venice	via dei Cantieri 9	Rive	waste management plant	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
				IT3250031	Venice upper lagoon	ZSC
Venice	via dell'Elettronica 5	Metalrecycling	Waste management plant	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
Venice	Via della Geologia, 31/1	Eco+Eco *valorizza*	waste management plant	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
Venice	Via Della Chimica	Veritas	industrial wastewater treatment plant	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
				IT3250031	Venice upper lagoon	ZSC
Venice	via Alberoni, 10	Veritas	purification plant	IT3250046	Venice Lagoon	ZPS
				IT3250023	Venice Lido: coastal biotopes	ZSC, ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
Chioggia	via Maestri del Lavoro 1	Veritas	transfer station	IT3250046	Venice Lagoon	ZPS
				IT3250023	Venice Lido: coastal biotopes	ZSC, ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
				IT3250034	Residual dunes of Bacucco	ZSC
Venice	via dei Cantieri 9	Veritas	purification plant	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
				IT3250031	Venice upper lagoon	ZSC
Portogruaro	Via Taglio 5	Veritas - Asvo	landfill post-closure	IT3250044	Reghena and Lemene Rivers – Taglio Canal and adjacent irrigation ditches – Cinto Caomaggiore quarries	ZSC
Cavallino Treporti	via Fausta, 222	Veritas	purification plant	IT3250046	Venice Lagoon	ZPS
				IT3250003	Cavallino peninsula: Liorane biotopes	ZSC, ZPS
				IT3250031	Venice upper lagoon	ZSC
Caorle	via Traghete 101	Veritas	purification plant	IT3250048	Tegnue di Porto Falconera	ZSC
				IT3250033	Caorle lagoon, Tagliamento River mouth	ZSC
				IT3250041	Valle Vecchia – Zumelle – Bibione valleys	ZPS
				IT3250042	Zignago – Perera – Franchetti – Nova valleys	ZPS
Quinto di Treviso	via Nogarè, 54	Veritas	purification plant	IT3240011	Sile: springs, marshes of Morgano and S. Cristina	ZPS
				IT3240028	Sile River from its headwaters to West Treviso	ZSC
Ceggia	via 1° maggio, 554	Veritas	purification plant	IT3240008	Bosco di Cessalto	ZSC, ZPS
				IT3240029	Livenza River basin and Monticano River lower course	ZSC
Morgano	Via dell'Ambiente NC/2 (formerly Molin Cappello Sud)	Veritas	purification plant	it3240011	Sile: springs, the marshes of Morgano and S. Cristina	ZPS
				IT3240028	Sile River from its headwaters to West Treviso	ZSC
Chioggia	via Argine Destro Brenta	Veritas	landfill post-closure	IT3250046	Venice Lagoon	ZPS
				IT3250030	Venice lower-middle lagoon	ZSC

municipality	address	company	type	intersecting protected area code	protected area description	type
Venice	via Vice Brigadiere C. Scantamburlo	Veritas	purification plant	IT3250046	Venice Lagoon	ZPS
				IT3250031	Venice upper lagoon	ZSC
Chioggia	strada Val Da Rio	Veritas	purification plant	IT3250046	Venice Lagoon	ZPS
				IT3250023	Venice Lido: coastal biotopes	ZSC, ZPS
				IT3250030	Venice lower-middle lagoon	ZSC
				IT3250034	Residual dunes of Bacucco	ZSC
Salzano	via Roma 145, Salzano	Depuracque	waste management plant	IT3250017	Noale quarries	ZSC, ZPS
				IT3250008	Former quarries in Villetta di Salzano	ZSC, ZPS
Noale		Veritas	landfill post-closure	IT3250017	Noale quarries	ZSC, ZPS
Portogruaro	Via Taglio 5	Veritas - Asvo	transfer station	IT3250044	Reghena and Lemene Rivers — Taglio Canal and adjacent irrigation ditches — Cinto Caomaggiore quarries	ZSC
Eraclea	via dei Pioppi 1	Veritas	purification plant	IT3250013	Mort Lagoon and Eraclea pine forest	ZSC
Jesolo	via Aleardi 46	Veritas	purification plant	IT3250046	Venice Lagoon	ZPS
				IT3250003	Cavallino Peninsula: Liorane biotopes	ZSC, ZPS
				IT3250031	Venice upper lagoon	ZSC
Jesolo	via Pantiera 33	Veritas	transfer station	IT3250046	Venice Lagoon	ZPS
				IT3250031	Venice upper lagoon	ZSC
Fossalta di Piave	via Cadorna 80	Veritas	purification plant	IT3240033	Meolo and Vallio Rivers	ZSC
Cessalto	via Pascoli 13	Veritas	purification plant	IT3240008	Cessalto Forest	ZSC, ZPS
				IT3240029	Livenza river basin and the lower course of Monticano River	ZSC
Torre di Mosto		Veritas	purification plant	IT3240029	Livenza river basin and the lower course of Monticano River	ZSC
Jesolo	via Pantiera 33	Veritas	landfill	IT3250046	Venice Lagoon	ZPS
				IT3250031	Venice upper lagoon	ZSC



A map of the priority sites and their respective 5-kilometer buffer zones is presented here. Those that overlap with the protected areas of the Natura 2000 Network, shown in green, are indicated in orange.

The priority sites identified by the Veritas Group contribute to the generation of definite and structural positive impacts on biodiversity. They result from reducing anthropic pressures on ecosystems, curbing water and soil pollution, recovering materials, and fostering the circular economy, thus directly contributing to the maintenance of the ecological conditions of natural habitats and to resource conservation.

No negative material impacts were identified concerning soil degradation, desertification, or soil sealing, and the operations have no effects on threatened species.

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities [E4 – ESRS 2 IRO-1]

The Group’s activities involve primarily the provision of essential public utility services, focusing on the operation of the integrated water service, industrial wastewater treatment, municipal waste management, and hazardous waste treatment.

With its operations, the Group generates definite and structural positive impacts on biodiversity by reducing anthropic pressures on ecosystems, curbing water and soil pollution, recovering materials and fostering the circular economy. Water purification and controlled waste management processes contribute directly to maintaining the ecological conditions of natural habitats and to the conservation of natural resources.

However, the Group acknowledges that, given the industrial nature of its activity and the operational interactions with the environment, potential negative impacts on biodiversity may arise that are not currently material. These potential, non-systemic impacts are assessed and managed through specific operational and environmental controls aimed at prevention, mitigation, and continuous monitoring.

In this context, the Group's strategy is structured around an analysis of the impacts on biodiversity components and ecosystems, as well as functional dependencies on ecosystem services, integrating the evaluation of the physical, transition, and systemic risks associated with its operations, and capitalizing on the opportunities arising from the protection and regeneration of nature.

For the Veritas Group, the key strategic focus areas include: soil consumption and sealing, management of green spaces and mowing, interactions with aquatic and marine ecosystems, potential pressures on species and habitats, the spread of invasive species, wastewater management and the ecological quality of the sites, and possible relationships between the business activities and the protected areas or threatened species. Conversely, there may be situations in which site resilience is enhanced through the integration of nature-based solutions, the improvement of environmental quality in the areas served, the strengthening of relationships with institutional and scientific stakeholders, and a better ability to meet the CSRD's reporting requirements.

From the perspective of dependencies, the following factors are of particular importance: the functionality of water bodies and lagoon and coastal ecosystems, soil quality, site ecological stability, and ecosystem services that contribute to the area's resilience and the quality of the services supplied.

The strategic risks include regulatory and permit risk, reputational risk, operational risk arising from ecosystem degradation, the risk of rising compliance and monitoring costs, and the risk of future restrictions on activities in sensitive areas.

Policies related to biodiversity and ecosystems [E4-2]

The Veritas Group recognizes that biodiversity and ecosystems are essential natural infrastructure for the quality of the local area, the resilience of the communities served, and the continuity of local public services.

The Group is committed to making a meaningful contribution to the protection and implementation of ecosystem services, understood as the services provided by nature that enable ecosystems to function and people to benefit from them (pollination, soil formation, climate regulation, the water cycle, etc.).

- *Strategy*

The Veritas Group's *Strategy* is a formal document that defines the Group's key long-term commitments and the strategies to achieve them; for details see the section on ESRS E1, E1-2).

The strategy describes how the impacts, dependencies, risks, and opportunities related to biodiversity rising from the Group's activities guide the development of its business and industrial decisions. In this context, biodiversity is viewed not only as an area of environmental protection, but also as a key factor in the robustness of the business model, the quality of the services offered, and the relationship with the local area and communities.

The strategy is designed to support biodiversity reporting, with a particular emphasis on identifying and assessing impacts, risks, and opportunities, as well implementing policies, actions, resources, objectives, metrics, and expected financial effects.

In line with this approach, the Veritas Group's strategy is based on the following principles:

- integration of biodiversity into the strategy and business model;
- double materiality approach;
- attention to relevant sites and sensitive areas;
- application of mitigation hierarchy;
- performance measurability and time horizons used;
- stakeholder engagement;
- continuous improvement and the progressive extension of the oversight to impacts and dependencies in the value chain.

The strategy is part of the EU Biodiversity Strategy for 2030, and shares the goal of protecting and restoring ecosystems. In keeping with this approach, the Group is expanding the scope of its analysis to include the value chain, intending to gather information available on suppliers and other relevant partners, so as to gradually and proportionately strengthen the assessment of the impacts, dependencies, risks, and opportunities related to biodiversity. The Veritas Group can serve as a catalyst throughout the entire value chain, promoting nature restoration initiatives. Thanks to its strong ties with the shareholder municipalities and subsidiaries, it offers suppliers a real opportunity to participate in local ecological regeneration projects, creating shared value for ecosystems and communities.

The strategy applies to the Group's companies, sites, and operations, and progressively and proportionately to those parts of the upstream and downstream value chains that are relevant for double materiality. The scope of action covers primarily the sites and activities that have the most significant interactions with terrestrial, freshwater, and marine ecosystems, with particular attention to sites located within or near areas that are sensitive in terms of biodiversity.

- *Biodiversity policy*

This Policy sets forth the principles and commitments with which the Group intends to prevent, reduce, and mitigate its negative impacts on biodiversity, promote ecological restoration efforts, and strengthen its monitoring and reporting capabilities.

The Policy has the following objectives:
- to integrate biodiversity conservation into the Group's sustainability strategies and decision-making processes;
- to provide a methodological framework for the collection, analysis, monitoring, and reporting of biodiversity and ecosystem data;
- to guide the determination of the concrete actions intended to prevent and minimize negative impacts, restore and regenerate the environment, and promote biodiversity;
- to encourage the involvement of public entities, universities, associations, local communities, shareholders, employees, and other stakeholders in biodiversity projects.

This Policy applies to Veritas Group companies, operational sites, and directly managed activities, with priority given to those activities and sites that present the greatest pressures, dependencies, risks or opportunities related to biodiversity.

The Policy provides the biodiversity framework, and it is implemented with the principles of gradualism and proportionality, in line with the mission of the Group companies and the local community.

The Group sets measurable objectives, monitors the effectiveness of its actions, and periodically updates its *Biodiversity Plan* based on the results achieved and regulatory developments. The report includes information on objectives, actions, results and variances, according to a logic of continuous improvement.

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

The Group's Strategy adopts the following mitigation hierarchy, which serves as the guiding principle for describing the actions: avoidance, minimization, restoration/rehabilitation and any additional remaining measures, prioritizing the minimization of negative impacts and, subsequently, the restoration of altered ecological components.

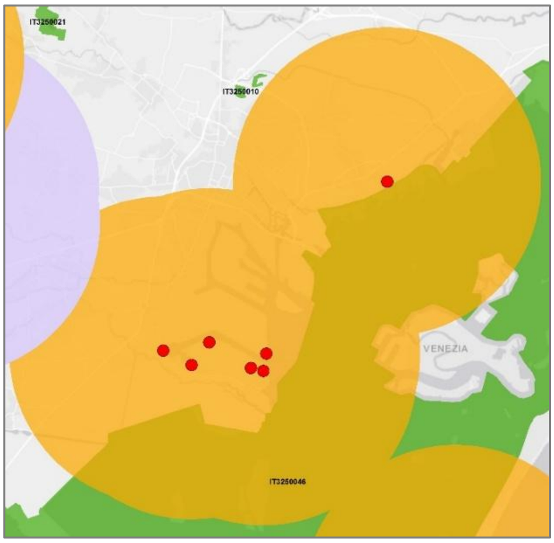
The priority sites identified that the Group uses to carry out its activities are not newly built. Therefore, the impact on biodiversity caused by new construction (such as soil and habitat loss) can be ruled out.

Prioritized actions may include revising mowing practices to minimize the impacts on flora and fauna, improving processes to reduce resource consumption and environmental pressures, regenerating areas altered by human activity, restoring wetlands, creating wildlife corridors, restoring forests with native species, planting resiliently, and enhancing permanent grasslands.

The Plan stipulates that the actions intended to restore biodiversity and avoid, reduce, or mitigate threats should be implemented primarily within the site involved. If the targets cannot be met at the site, off-site restoration measures may be implemented, provided they are carried out within a maximum radius of 150 km and within the same ecoregion.

Since the area where the Veritas Group operates is in close proximity to the Venice Lagoon, it is only natural that the protected areas within the lagoon system are among those most frequently affected by overlaps with the buffer zones of priority sites.

This circumstance is not indicative of high pressure on the biosphere. In fact, the Venice Lagoon covers a total area of approximately 550 km², and is largely included in the Natura 2000 network. The protected areas most affected by the interactions lie entirely within this system and include three main sites: the upper lagoon (20,365 ha), the middle-lower lagoon (26,385 ha), and Venice Lagoon (55,209 ha), classified as special protection areas (SPAs) and special areas of conservation (SACs).



The observed overlaps are attributable primarily to the vast extent of the lagoon system, rather than to specific localized issues due to individual sites.

Natura 2000 areas may be designated to protect individual species (e.g., a rare plant, a priority habitat, a specific bird, etc.), without multiple overlaps automatically implying a greater risk. For example, human-induced disturbance affects birdlife as a whole, not a single protected species. Therefore, the protected area boundaries are not a definitive indicator of risk, but must be considered in the context of specific influencing factors.

The Veritas Group decided to conduct a more in-depth analysis of the six sites concentrated in the Fusina-Marghera area as an integral part of its prioritization strategy, carrying out a specific assessment through a biodiversity impact risk (BIR) study to monitor the potential effects on biodiversity. The study area includes the following sites:

- Waste management facilities: Eco+Eco *valorizza*, Eco+Eco *ricicla*, Rive, Metalrecycling;
- purification plants: Veritas wastewater treatment plant in Fusina, Veritas industrial wastewater treatment plant.

All the purification plants located along the lagoon's perimeter discharge into the sea or into surface freshwater bodies, without any direct aquatic interaction with the protected areas of the Venetian Lagoon. Nevertheless, as a preventive and mitigating measure, Veritas has partnered with the University of Padua to study stranded marine mammal and turtle carcasses, assisting with the recovery of the carcasses and conducting specific wastewater analyses in its laboratory to identify biological markers that can help understand population dynamics, causes of mortality, and improvement actions.

The Quinto di Treviso wastewater treatment plant, which discharges into the Sile River (a protected area), underwent an environmental impact assessment (EIA) with a positive outcome from the Veneto Region, confirming the environmental compatibility of its operations.

Targets related to biodiversity and ecosystems [E4-4]

The Veritas Group, in its biodiversity action plan, defines the targets (measurable, results-oriented, time-bound, and accompanied by a baseline, time horizon, geographic scope, methodologies, assumptions, and indicators used to monitor progress) and actions that have a direct and specific impact on biodiversity.

Other initiatives related to other environmental topics (such as climate change and the circular economy) that have a positive impact on biodiversity are listed in the sustainability report, the list of initiatives (business plan), or the climate risk assessment.

The objectives are to mitigate negative impacts and restore biodiversity. To achieve these objectives, a number of actions are identified in accordance with an action plan that is reviewed periodically (generally every two years).

The effectiveness of the actions is monitored using a series of indicators specific to each action.

The set of indicators includes, as significant, preserved or restored habitat surfaces, the number of threatened or protected species reported at priority sites, the presence and management of invasive species, the biodiversity index in the areas of activity, the progress of planting and vegetation recovery, the number of monitored sites, the extent of areas subject to ecologically beneficial management practices, and indicators related to ecological connectivity or habitat quality at the sites where actions are taking place.

The following table lists the set of targets, actions, indicators, and monitoring measures:

company and action	positive impacts	stakeholder engagement	status	indicators
Restoration				
Veritas: tree planting in the Municipality of Spinea	Ecosystem restoration; increased biodiversity; social benefits-sharing.	Shareholder: Municipality of Spinea Future generations: school	Plants planted (April 2026). Scheduled activities with schools.	16 trees planted Area: 0.18 ha
Veritas: wooded strip along the border of the active landfill in Jesolo	Ecosystem restoration; increased biodiversity;	Local community	Concluded in 2020	5,146 trees and shrubs planted. Area: 4.7 ha
Veritas: permanent grassland on Ca' Perale landfill.	Ecosystem restoration; increased biodiversity.	Employees: training video Local community: Mestre Mia event and YouTube videos Entities: University of Padua Associations: Apat	Since 2023. Monitoring activity concluded	38,000 insect-pollinated species planted Area: 8 ha
Group: phytoremediation in Marghera, including wetlands creation.	Ecosystem restoration; increased biodiversity; social benefit-sharing.	Local community	BIR flora and fauna census campaign	Area: 137 ha
Group: extend best practices for restoring grasslands on other sites, such as at Sant'Andrea, landfills, purification plants, wellfields, etc. (without placing beehives)	Ecosystem restoration; increased biodiversity.	Employees University	To be planned	
Group: planting of woodland areas and hedgerows as wildlife corridors that blend seamlessly with the surrounding landscape.	Ecosystem restoration; increased biodiversity.	Shareholders Local communities	To be planned	
Monitoring				
Eco+Eco: Fusina area BIR			Second phase begun in April 2026.	
Group: mapping of company's assets to identify areas suitable for biodiversity enhancement initiatives.			To be planned	
Group: biodiversity monitoring at company premises			To be planned	
Depuracque: ponds at the former Sant'Elena quarry, ecosystem restoration for educational purposes	Ecosystem restoration; increased biodiversity. Benefit-sharing	Local communities Associations	Since 2027	Area: 5 ha
Mitigation				
Group: reduce mowing at company premises.	Minimizing the biodiversity impacts.	Employees		Area subject to less mowing: 87 ha
Veritas: weed control: organic weeding without the use of toxic substances	Combating invasive alien species; reduction of environmental impact; soil conservation.		In progress	
Veritas: tree-pruning program for cemeteries on the mainland, with consideration for squirrels and birds.	Minimizing the biodiversity footprint; promotion of native species.	Employees Local community	Selective pruning is currently underway, with care paid to nesting sites. Stakeholder engagement to be planned	
Veritas: consider cemeteries as core areas (study of existing biodiversity)	Development of native species.	Local community with data publication. Shareholder: Municipality of Venice (can be extended to other municipalities)	Since 2027	
Veritas: cemeteries - planting of resilient plant species	Increased biodiversity; increased resilience to climate change;	Local community Employees Shareholders	Since 2019, new plant species such as Pyrus calleryana(Callery pear) have been introduced at some cemeteries (Mestre, Venice) and flower beds with a variety of flowering plants, which are beneficial and support pollinating insects.	
Veritas: change to waste collection system in Venice.	Combating invasive species.	Local community shareholder Municipality of Venice	Since 2016 Concluded in 2018	
Veritas: manual waste collection along the Venetian coastline, particularly in protected areas (Alberoni and Pellestrina)	Minimizing the biodiversity footprint; benefit-sharing.		Continuously	Area: 17,760 m, of which 4,150 m are in protected areas
Veritas: collection of turtle and dolphin carcasses from the coastline and delivery to the University of Padua	Support for scientific research into population dynamics and causes of death.	Employees; March event and video. Shareholders: Coastal municipalities: March event. Entities: University of Padua	Since 2023	
Veritas: resumption of construction work on the lagoon water pipeline, observing birds' nesting season.	Creation of temporary habitats to support the nesting of protected birds.		In progress	
Veritas: expansion of the set of parameters used to analyze purification plant discharges to detect any presence of contaminants harmful to dolphins and sea turtles	Support for scientific research into population dynamics and causes of death.	Employees. Shareholders: Coastal municipalities: March event. Entities: University of Padua	To be planned	
Veritas: biodiversity study beneath ground-mounted photovoltaic systems (purification plants and landfills)			To be evaluated	
Mitigation / Monitoring				
Depuracque: Depuracque woods	Development of native species; benefit-sharing; combating invasive species.	Local community	Effort to combat the invasive species *Ailanthus altissima* begun in March 2026. FSC Management	Area: 5.5 ha. 770 trees and shrubs planted. 700 kg of invasive species removed
Engagement				
Veritas: assisting manual beach cleanup activities by citizens, organizations, and companies	Minimizing the biodiversity footprint; benefit-sharing.	Local community	Continuously	
Group: establishing partnerships with the Natural History Museum of Venice, Venetian wildlife experts, universities, etc., for biodiversity monitoring		Employees Associations Entities: university	To be evaluated	

Resource use and circular economy [ESRS E5]

The waste management services concern the integrated management of municipal and special waste (collection, transportation, treatment and use) and the collection, sorting and treatment of municipal waste represent some of the Veritas Group's most significant operations.

For details regarding the impacts, risks and opportunities covered in this section, see the section on ESRS-2, SBM-3.

IMPACTS

✓	Positive impact linked to waste collection, sorting, treatment and recovery activities, as well as the production of secondary raw materials and the transparency of these operations through waste traceability.

— RISKS	+ OPPORTUNITIES
Risk of exceeding the authorization limits due to fluctuating waste production (beyond the normal variability), caused by tourism spikes in some periods of the year and that lead to organizational difficulties and possible complaints from users, customers and residents.	Opportunities related to waste collection, transportation, sorting, treatment and traceability activities, which can optimize synergies, increase recovery rates, produce secondary raw materials and improve the business reputation.
Risk from sewage sludge treatment, which leads to worse environmental indicators (Arera indicator M5), with the related penalties.	Opportunities of energy recovery from unsorted waste thanks to the upgrade of the Eco+Eco *valorizza* energy hub (Line 2).

Policies related to resource use and circular economy [E5-1]

As an environmental waste service operator, the Veritas Group sets specific policies to manage waste responsibly, as formalized in the Strategy, the management system regulations and procedures, the *integrated management system policies*, the *integrated water service management policy*, the *integrated water service charter*, the *municipal water cycle - water resource traceability document* and the *Code of Ethics*.

- *Strategy*

The Veritas Group's Strategy (for details see the section on ESRS E1, E1-2) is a formal document that defines the Group's key long-term commitments and the strategies to achieve them.

In the Strategy, the Group states its commitments to efficient waste disposal in compliance with the regulatory guidelines and with the best available techniques, prioritizing any necessary industrial or plant integrations and the self-sufficiency of the basin/area served, including from the perspective of circularity.

- *Management system regulations and procedures*

Integrated management systems consist of the set of documents that break down the organization's activities, ranging from the policies defined to the targets set for each process that the Group uses to ensure the services where it operates, managing impacts, risks and opportunities. For further details, see ESRS E1, E1-2 and G1, G1-1.

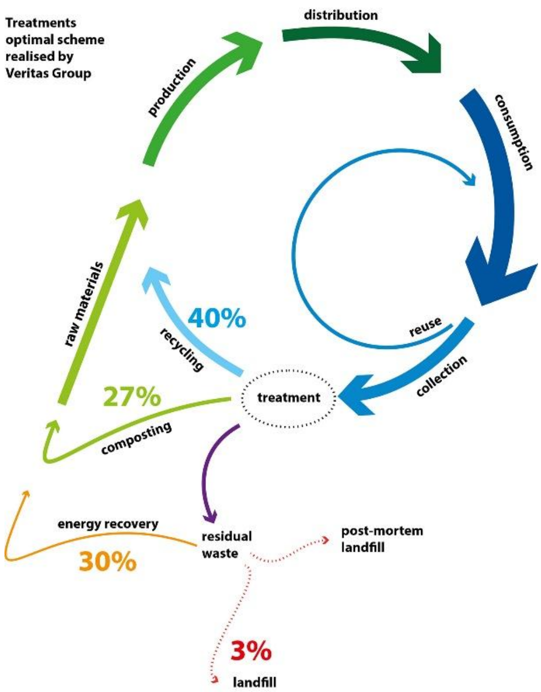
On this front, the Veritas Group adopts a structured approach to operating the waste management service, ensuring operational control over the waste collection, transportation and treatment processes according to efficiency, traceability and sustainability criteria, in compliance with the environmental requirements and standards set by the certified management systems.

- *Integrated management systems policy*

In applying the UNI standard-compliant management systems, all the Veritas Group companies have formulated integrated quality, environmental and safety policies that are posted in their offices and published on their websites. The policies are approved by the general management. The policies reflect the Group's strategy that requires establishing and implementing cultural, organizational, engineering and technological processes in which the topics of environmental protection, limited primary resource use, energy savings, energy efficiency and renewable energy use, along with the economic and financial sustainability of the initiatives, are always in the foreground, as are the health and safety of the organization's people.

- *Waste management service management policy and documents for the traceability of municipal waste supply chains*

The management of the Veritas Group's waste management services adopts a *waste management service management policy* based on sustainable development; for details see the section on ESRS E1, E1-2.



To guarantee its services, the management of waste management services uses the policy to ensure the streamlining of the waste transportation flows, perfecting the logistics of waste collection and transportation; greater efficiency through innovation and technology to achieve the objectives of saving and service optimization by experimenting with new solutions; compliance with regulatory and authorization requirements and the matching of the activities performed to the management systems; and responsible management of the natural resources used by adopting solutions to protect the environment, and prevent and reduce the environmental impact of the activities.

For the purpose of waste management transparency, the Veritas Group has created three tools capable of capturing the current situation of the waste treatment companies and meeting the European circular economy objectives: the *treatment framework,* which allows to determine how much is actually sent for recovery and how much for disposal, the *traceability of municipal waste recovery supply chain flows*, which allows to determine the actual recovery of waste from sorted waste collection, and the *sorted waste collection quality*, which enables to measure the quality of the different fractions of waste collected and to assess errors in the users' assignments.

The objectives of these documents are to:
- ensure the traceability and certainty of the flows of materials and energy from sorted waste collection;
- ensure control over the management of the various supply chain phases and activities and to measure the effectiveness of the treatments;
- provide a methodology to assess the Group's position with respect to the recycling targets of the European directives (Circular Economy Package);
- give a set of instructions regulating the supply chain certification process, in the absence of a specific technical standard;
- give transparency to the process that begins with the residents' daily commitment and ends with the recycling of materials.

In fact, for about a decade, the Veritas Group has been tracking and monitoring the recovery chains of the main fractions of municipal waste, and in 2025 certified 95% of the total waste collected in the 45 municipalities served. Through the traceability of all the main treatment chains of the fractions of municipal waste collected, the Veritas Group annually reports to all its stakeholders its performance in terms of the actual recycling and recovery of the waste managed, providing objective, certified data. The assessment concerns all phases of the chain, from when the residents and businesses deliver the municipal and similar waste to the collection system, to the collection and storage activities and waste recovery plants, up to the production of secondary raw materials. A tool has been created that defines the rules of each chain, a specification that allows monitoring the flows of materials, energy and routes through more than 300 indicators. This traceability process has been certified by an external entity under the UNI/PdR 132:2025 reference practice. The reports are presented to the parent company's Board of Directors and are consistent with the objectives of the *business plan*, in which the specific capital expenditures are reported. A summary of the reports is published on the website, and the documents are available on the companies' intranet and websites.

Veritas Group results vs European targets

	Paper and cardboard packaging	Glass packaging	Plastic packaging	Ferrous metal packaging	Aluminum packaging	Wood packaging
Veritas Group results	**97%**	**73%**	**60%**	**77%**	**68%**	**82%**
2025 targets	75%	70%	50%	70%	50%	25%
2030 targets	85%	75%	55%	80%	60%	30%

- *Integrated municipal waste management service charter*

The *integrated municipal waste management service charter* (for details see the section on ESRS E2, E2-1) formalizes the commitment to waste recovery from a circular economy perspective. It underlines the intention to promote initiatives to reduce the quantities of waste to be disposed of and their hazardousness. This commitment is also reflected in the promotion of initiatives for every type of sorted collection and recovery of materials and energy. The organization also undertakes to respect the environment, minimizing the impacts of all activities carried out by taking every initiative to promote the recovery of resources and to prevent dispersion into the air, water or soil that could damage health and the environment.

- *Code of Ethics*

The Group's *Code of Ethics* (for details see the section on ESRS G1, G1-1) establishes general guidelines on relations with the environment, climate change and sustainability. It formalizes the Group's commitment to pursuing environmental protection, with a view to continuously improving its services. The Group states its commitment to promoting interactive dialogue with all the stakeholders and to adopting sustainable social and ecological behaviors compatible with ESG parameters.

Actions and resources related to resource use and circular economy [E5-2]

As part of its environmental commitments for the sustainable operation of waste management services, the Veritas Group has devised an action plan to manage the impacts and limit environmental risks while pursuing opportunities arising from more efficient waste management. The initiatives implemented meet the Group's strategic objectives, defined in the *business and adaptation plan*, and are described below. The Veritas Group tracks and monitors the recovery chains of the main fractions of municipal waste, making it possible to answer one of the questions frequently asked by residents, "where does the waste we consign go?”.

The traceability results provide very useful data for the assessments needed for the technological upgrading of existing plants and for the implementation of new work underway at the Marghera Ecodistrict: a hub for municipal and special waste treatment systems where the Veritas Group plans to create a true model of industrial symbiosis, with the objective of managing most types of municipal waste collected within a limited area in order to reduce the distance between one phase and another, even of different supply chains, thus streamlining flow management and cutting energy consumption and atmospheric emissions while improving the overall recovery services.

The results of this work demonstrate the importance of applying the circular economy to the entire management system of the Veritas Group companies, a model in which waste becomes an essential resource for the production of products from regenerated raw materials, companies that continue to renew and develop, placing themselves at the base of production cycles in which waste delivered through sorted waste collection becomes the key resource of a continuous flow of material within a loop.

In this situation, waste, whether consisting of packaging, food scraps or other organic substances, is nothing more than a material in a transitory phase of transformation, as happens in biological ecosystems. Once the material is put back into circulation, it no longer impacts the environment and no longer consumes the soil, which can instead be dedicated to agriculture; rather, it is used to fuel vital or technological cycles. Materials such as glass, plastic, metals, paper, cardboard and wood making up packaging thus return to performing their original functions, saving raw materials, of which the planet is increasingly poor, and reducing energy consumption; in fact, the process of reconstructing packaging from recycled material requires far fewer resources than producing it from virgin materials. Furthermore, working in this direction, it is possible to reduce landfill disposal, consequently lowering the emissions of climate-altering gases from the transportation and management of landfill waste.

The actions taken by the Group extend over a time horizon covering the current duration of the service contracts and can be grouped into waste management optimization activities; service reorganization and requalification; the development of new plants and strategies for waste disposal, recovery and treatment. The actions consisted of optimizing the landfill operation process and improving the former municipal landfill sites, standardizing them to the new regulations, adapting the infrastructures and collection systems with underground solutions and 4.0 solutions or by rearranging locations such as the Sacca San Biagio construction site, and using trenchless techniques for the refurbishment of sewer networks and end-of-waste processes.

The plant developments were based on waste traceability according to the UNI/PdR 132:2025 reference practice.
The 2025 capital expenditure was approximately € 68.3 million.

Targets related to resource use and circular economy [E5-3]

In the 2026-2030 *business and adaptation plan*, the Veritas Group identified specific strategic targets relating to waste management, with the objective of responding in a structured manner to the environmental impacts associated with its activities. The targets guide the Group's actions in assessing and managing the main risks and in seizing the opportunities for sustainable waste management. All the targets set forth below relating to waste management and service reorganization and requalification refer to compliance with the European regulations cited in the methodologies column with the exception of the end-of-waste target, which refers to voluntary UNI standards.

Waste management optimization

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Minimizing the environmental impacts of landfills post-closure and post-care					
Veritas	In 2023, the optimization of the landfill operation process reached 9%	2030*	Institutions Local communities Group companies	European directives on the circular economy, reduction of landfill use. Progressive reduction of waste disposal in landfills, compared to total municipal waste (by 2035): maximum 10%.	% of completed work in landfills for post-closure or post-care management.
Optimization of the use of the Jesolo landfill (the Group's only active landfill)					
Veritas	In 2023, the authorized expansion activities reached 40%	2032	Institutions Local communities Group companies	European directives on the of circular economy, reduction of landfill use. Progressive reduction of waste disposal in landfills, compared to total municipal waste (by 2035): maximum 10%.	% of expansion authorized.
Adaptation of infrastructures and collection systems with development of 4.0 underground solutions					
Environment Division	In 2023, the implementation of sorted waste collection points and 4.0 transponder waste collection systems reached 7%	2030	Entities Local communities Residents Shareholders	European directives on the circular economy, reaching sorted waste fraction recovery targets.	% of implementation of transponder collection systems and 4.0 underground sorted waste collection point.
End-of-waste process					
Rive	% of secondary raw material produced out of total waste input, baseline 40%	2026	Entities	UNI standards	Monitoring is carried out on the basis of the % of end-of-waste gravel produced compared to the total waste from street sweeping residues (EWC code 200303) as per the environmental declaration model (MUD) statement.

* The project was expanded considering different landfills with different performance time.

Service reorganization and requalification

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Overall reorganization of Group transfers and transshipments - Jesolo and Chioggia transfer stations					
Veritas	In 2023, the structural adjustments compliant with the new standards to ensure optimal technological management and site safety reached 10%	2038	Entities Local communities Residents Shareholders	European directives on the circular economy, reaching sorted waste fraction recovery targets	Monitoring is carried out on the basis of the % of work carried out up to the completion of the works.
Overall reorganization of the Collection and Reuse Centers – CDR and Mestre Reuse Center					
Veritas	In 2023, the reorganization was at 30%	2027	Entities Local communities Residents Shareholders	European directives on the circular economy, reaching sorted waste fraction recovery targets	Monitoring is carried out on the basis of the % of work carried out up to the completion of the works.
Requalification and reorganization of the Sacca San Biagio construction site in Giudecca					
Veritas	In 2023, the requalification and reorganization project of the complex reached 10%	2028*	Entities Local communities Residents Shareholders Workers	European directives on the circular economy, reaching sorted waste fraction recovery targets	Monitoring is carried out on the basis of the % of work carried out up to the completion of the works.
Relining of water and sewerage pipelines					
Veritas Euroscavi	In 2024 1.6 km for drinking water pipeline and 13.5 km for sewerage pipeline	2038	Local communities Shareholders	Arera records, km measurement of renovated pipeline	% relined renovated pipeline out of total % of renovated sewerage and drinking water pipeline.

* The project has been postponed due to its complexity.

Development of new waste management plants and disposal strategies

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Implementation of the glass segment for waste management					
Eco+Eco Veritas	The plant was completed in 2024. % of glass sent for recovery from sorted waste collection recovered as furnace-ready glass 77%	2025	Entities Residents	UNI/Pdr 132/2025	The project was completed in 2025.
Construction of paper processing platform					
Eco+Eco Veritas	The construction of the paper processing platform was started in 2024. 97% of paper selected and recuperated at paper mill	2026*	Entities Residents	UNI/Pdr 132/2025	The project was completed in 2025.
Transformation of plastic from waste					
Eco+Eco Veritas	In 2024 the plastic manufacturing plant was authorized and is under construction	2025	Entities Residents	UNI/Pdr 132/2025	The project was completed in 2025.
Plastic sorting and storage center					
Eco+Eco Veritas	In 2024, the plastic processing platform was authorized and built, 57% of Corepla plastic sent for recovery	2027	Entities Residents	UNI/Pdr 132/2025	% plant construction and 57% of Corepla plastic sent for recovery.
Construction of photovoltaic panel treatment plant					
9-tech Eco+Eco Veritas Depuracque	The pilot plant was built and patented in 2024. The areas and authorization titles were obtained.	2026	Entities Residents Group companies	Own patent	% plant construction
Construction of liquid waste management and disposal plants at third-party premises					
Depuracque	In 2024, two groundwater treatment plants were started up at the Eni sites in Priolo. 33% of the project has been completed.	2027*	Customers	Internal design standards	% plant construction

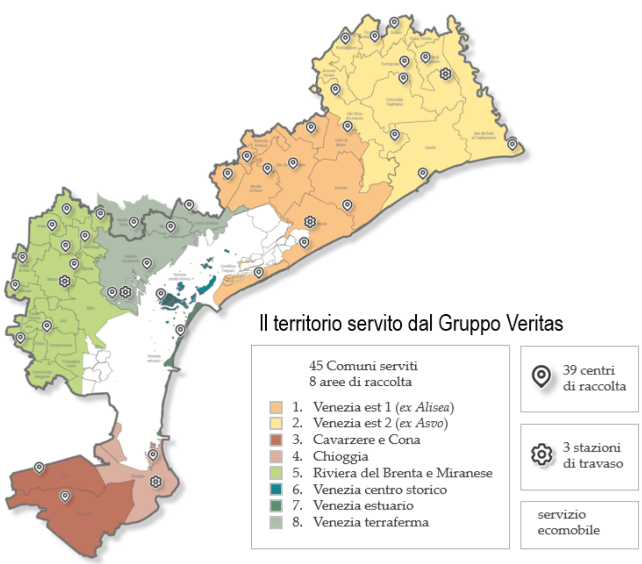
* It has been postponed.

Waste recovery and treatment

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Maintaining the certification of waste supply chains					
	In 2023, the supply chain certifications guaranteed the traceability of 89% of the municipal waste collected by the Veritas Group	2025	Entities Residents Group companies	UNI/Pdr 132/2025	Annual target. 95% of the waste supply chains were certified in 2025

Resource outflows [E5-5]

From a circular economy perspective, the elements characterizing the waste management service processes are efficient collection and the use of waste through the recovery of the recyclable fraction and the production of fuel from the non-recyclable dry fraction. Furthermore, the waste managed through the Marghera Ecodistrict Hub creates synergies among the waste treatment plants and has very high recovery rates. These synergies enable waste flows to move between different plants in order to maximize recovery. It makes it impossible, for the reporting period, to provide aggregated Group waste data net of the intraGroup movements.



The collection, sorting and treatment of municipal waste are among the Group's key operations.

In general, waste treatment and disposal is a particularly material topic and, in order to keep this aspect under control, the Group has been implementing innovative management tools for years can monitor the flows of the waste recovery chains, making the various collection, transportation and treatment activities transparent, and identifying the industrial work necessary to upgrade the plant system following changes in flows generated by urban metabolism. The Group prepares annually summaries of the system's performance, as explained in ESRS E5, E5-1, which describes the traceability documents in detail.

As a waste management operator, the Veritas Group manages municipal and special waste from external users and produces, within the scope of its activities, internal waste and processed waste. The latter derives from processing the waste collected and from the waste treatment plants, wastewater purification plants and water purification plants (sludge, sand, etc.).

Special waste treated and produced

The special waste treated and produced by the Group derives mainly from the:
- sorting, treatment and recovery of municipal and special waste;
- integrated water service, from wastewater purification activities, water purification and maintenance of water and sewerage networks;
- operation of cemetery services and crematoriums.

All waste, by waste identification code, waste production activity, designated plant and disposal/recovery operation, is weighed and recorded in the business systems of each Group company. The quantities are then communicated to the competent authorities through the environmental declaration model (MUD) statement. For 2025, due to a deadline postponement for submitting the single environmental declaration model (MUD), the data relating to municipal waste collection and special waste production/treatment are still provisional, pending the final transmission. For 2024, the provisional data presented in the 2025 Sustainability Report were checked against the environmental statements, and no significant differences emerged. The waste output is presented for all the companies. The sum of all special waste treated by the Group is 694,780 tons (656,851 in 2024), of which 683,609 (647,408.5 in 2024) is non-hazardous and 11,171 (9,442.5 in 2024) is hazardous. However, this sum includes the intra-Group transfers of waste flows, many of which may be counted more than once. The sum of all waste grew by 6% from 2024, with a greater percentage increase for hazardous waste, which however accounts for 1.6% of the total waste.

The **special waste** treated and produced is presented below.

Waste treated/produced by Veritas Group companies in 2024 (t)

Group companies	non-hazardous	hazardous	radioactive	total
Asvo	0	0.08	0	0.08
Eco+Eco *ricicla*	219,229	9	0	219,238
Eco+Eco *valorizza*	251,247	1,362	0	252,609
Metalrecycling	33,178	28	0	33,206
Depuracque	6,864	7,362	0	14,226
Lecher	419	9	0	428
Rive	22,635	7	0	22,642
Sifa	0	0	0	0
Veritas	112,804	668	0	113,472
Euroscavi	1,025	2	0	1,027

Waste treated/produced by Veritas Group companies in 2025 (t)

Group companies	non-hazardous	hazardous	radioactive	total
Asvo	18	0.06	0	18
Eco+Eco *ricicla*	243,896	9	0	243,905
Eco+Eco *valorizza*	261,652	1,331	0	262,983
Metalrecycling	30,684	0	0	30,684
Depuracque	6,619	7,700	0	14,319
Lecher	497	6	0	503
Rive	17,005	0	0	17,005
Sifa	0	0	0	0
Veritas	118,586	2,124	0	120,710
Euroscavi	4,653	0	0	4,653

By Group company:

Waste produced by Asvo for the supply of cemetery services in 2024 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	0	0.08	0.08
preparation for reuse	0	0.08	0.08
recycling	0	0	0
other recovery operations	0	0	0
waste directed to disposal	0	0	0
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	0	0
non-recycled waste			
total	0	0	0
percentage of non-recycled waste out of total waste managed	0%	0%	0%

Waste produced by Asvo for the supply of cemetery services in 2025 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	18	0.06	18
preparation for reuse	18	0.06	18
recycling	0	0	0
other recovery operations	0	0	0
waste directed to disposal	0	0	0
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	0	0
non-recycled waste			
total	0	0	0
percentage of non-recycled waste out of total waste managed	0%	0%	0%

Waste produced by Eco+Eco ricicla in 2024 (t) by destination

99.9% comes from waste treatment operations (EWC 19 codes); the remaining 0.1% is other waste produced by the plant. 100% of the waste directed to landfills derives from waste treatment operations.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	167,262	9	167,271
preparation for reuse	127,548	9	127,557
recycling	20,669	0	20,669
other recovery operations	19,045	0	19,045
waste directed to disposal	51,967	0.0	51,967
incineration	0	0	0
landfill	51,815	0	51,815
other disposal operations	152	0	152
non-recycled waste			
total	51,967	0.0	51,967
percentage of non-recycled waste out of total waste managed	23.7%	0%	23.7%

Waste produced by Eco+Eco ricicla in 2025 (t) by destination

99.9% comes from waste treatment operations (EWC 19 codes); the remaining 0.1% is other waste produced by the plant. 100% of the waste directed to landfills derives from waste treatment operations.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**201,179**	**9**	**201,188**
preparation for reuse	154,675	9	154,684
recycling	2,233	0	2,233
other recovery operations	44,271	0	44,271
waste directed to disposal	**42,717**	**0**	**42,717**
incineration	0	0	0
landfill	42,226	0	42,226
other disposal operations	491	0	491
non-recycled waste			
total	42,717	0	42,717
percentage of non-recycled waste out of total waste managed	17.5%	0%	17.5%

The total waste produced by Eco+Eco *ricicla* rose by 11%, with a 20% increase in waste diverted from disposal and an 18% decrease in waste directed to disposal. The plastic sorting and recycling plant began operating in 2025. Also in 2025, 1,473.52 metric tons of end-of-waste materials, consisting of metals and polystyrene, were produced.

Waste produced by Eco+Eco valorizza in 2024 (t) by destination

The plant sorts and treats unsorted municipal waste. 63.7% of the waste produced comes from waste treatment operations, as does 100% of the waste disposed of in landfills.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	189,281	859	190,140
preparation for reuse	88,356	859	89,215
recycling	0	0	0
other recovery operations	100,925	0	100,925
waste directed to disposal	61,967	503	62,470
incineration	0	0	0
landfill	61,964	0	61,964
other disposal operations	3	503	506
non-recycled waste			
total	61,967	503	62,470
percentage of non-recycled waste out of total waste managed	24.7%	36.9%	24.7%

Waste produced by Eco+Eco valorizza in 2025 (t) by destination

The plant sorts and treats unsorted municipal waste. 63.9% of the waste produced comes from waste treatment operations, as does 100% of the waste disposed of in landfills.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**192,317**	**691**	**193,008**
preparation for reuse	125,583	691	126,274
recycling	0	0	0
other recovery operations	66,734	0	66,734
waste directed to disposal	**69,334**	**640**	**69,974**
incineration	0	0	0
landfill	69,312	0	69,312
other disposal operations	22	640	662
non-recycled waste			
total	69,334	640	69,974
percentage of non-recycled waste out of total waste managed	26.5%	48.1%	26.6%

The total waste produced by Eco+Eco *valorizza* increased by 4% from that of 2024, with waste diverted from disposal up slightly (+1.5%) and waste directed to disposal up more significantly (+12%). In 2025, the facility produced 23,914.8 metric tons of secondary solid fuel (CSS) and sent 31,337.92 metric tons of waste to a co-incineration plant to generate energy, part of which was used to power the plant itself, as described in Section E1 on self-generated and self-consumed energy.

Waste produced by Metalrecycling in 2024 (t) by destination

Metalrecycling selects and prepares ferrous and non-ferrous metal waste for reuse. Of the waste produced, 99.6% comes from waste treatment operations (EWC 19 codes); the remaining 0.4% is waste produced by the plant. In addition, Metalrecycling produces 6,405.4 tons of end-of-waste metal (secondary raw material), equivalent to 16% of the waste.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	33,178	0.6	33,179
preparation for reuse	32,745	0.6	32,746
recycling	202	0	202
other recovery operations	230	0	230
waste directed to disposal	0	28	28
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	28	28
non-recycled waste			
total	0	28	28
percentage of non-recycled waste out of total waste managed	0%	98.04%	0.08%

Waste produced by Metalrecycling in 2025 (t) by destination

Metalrecycling selects and prepares ferrous and non-ferrous metal waste for reuse. Of the waste produced, 99.8% comes from waste treatment operations (EWC 19 codes); the remaining 0.2% is waste produced by the plant. In addition, Metalrecycling produces 6,088.4 tons of end-of-waste metal (secondary raw material), equivalent to 23% of the waste.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**30,683**	**0**	**30,683**
preparation for reuse	30,513	0	30,513
recycling	34	0	34
other recovery operations	136	0	136
waste directed to disposal	**0**	**0**	**0**
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	0	0
non-recycled waste			
total	0	0	0
percentage of non-recycled waste out of total waste managed	0%	0%	0%

The waste generated by Metalrecycling decreased from that of 2024 (-7.5%). In 2025, Metarecycling did not direct waste to disposal.

Waste produced by Depuracque in 2024 (t) by destination

Depuracque treats special hazardous and non-hazardous liquid waste. 99% of the waste produced comes from waste treatment operations. 100% of the waste disposed of in landfills derives from waste treatment operations.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	626	2,384	3,010
preparation for reuse	37	2,384	2,421
recycling	59	0	59
other recovery operations	530	0	530
waste directed to disposal	6,238	4,979	11,217
incineration	0	0	0
landfill	3,010	0	3,010
other disposal operations	3,228	4,979	8,207
non-recycled waste			
total	6,238	4,979	11,217
percentage of non-recycled waste out of total waste managed	90.9%	67.6%	78.8%

Waste produced by Depuracque in 2025 (t) by destination

Depuracque treats special hazardous and non-hazardous liquid waste. 98.8% of the waste produced comes from waste treatment operations. 100% of the waste disposed of in landfills derives from waste treatment operations.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**1,079**	**804**	**1,883**
preparation for reuse	145	797	942
recycling	0	7	7
other recovery operations	934	0	934
waste directed to disposal	5,540	6,896	12,436
incineration	0	0	0
landfill	1,716	0	1,716
other disposal operations	3,824	6,896	10,720
non-recycled waste			
total	5,540	6,896	12,436
percentage of non-recycled waste out of total waste managed	83.7%	89.6%	86.9%

The total waste generated by Depuracque in 2025 is in line with that of 2024, with a slight decrease in non-hazardous waste and a corresponding increase in hazardous waste. The waste directed to disposal increased by 11% overall, whereas the quantity of waste diverted from disposal decreased by 37%.

Waste produced by Lecher in 2024 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	5.6	0.2	5.8
preparation for reuse	5.6	0.2	5.8
recycling	0	0	0
other recovery operations	0	0	0
waste directed to disposal	414	9	423
incineration	0	0	0
landfill	0	0	0
other disposal operations	414	9	423
non-recycled waste			
total	414	9	423
percentage of non-recycled waste out of total waste managed	99%	98%	99%

Waste produced by Lecher in 2025 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**3**	**2**	**5**
preparation for reuse	3	2	5
recycling	0	0	0
other recovery operations	0	0	0
waste directed to disposal	**494**	**4**	**498**
incineration	0	0	0
landfill	0	0	0
other disposal operations	494	4	498
non-recycled waste			
total	494	4	498
percentage of non-recycled waste out of total waste managed	99.3%	70.3%	98.9%

The total waste produced by Lecher increased by 17.5% in 2025, with waste directed to disposal up by 17.8% and waste sent for recovery down by 6.4%. The percentage of waste directed to disposal remained the same.

Waste produced by Rive in 2024 (t) by destination

88% of the waste produced by Rive comes from waste treatment operations (EWC 19 codes); the remaining 12% is other waste produced by the plant.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	22,635	0	22,635
preparation for reuse	22,635	0	22,635
recycling	0	0	0
other recovery operations	0	0	0
waste directed to disposal	0	8	8
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	8	8
non-recycled waste			
total	0	8	8
percentage of non-recycled waste out of total waste managed	0%	100%	0.03%

Waste produced by Rive in 2025 (t) by destination

90.6% of the waste produced by Rive comes from waste treatment operations (EWC 19 codes).

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**17,005**	**0**	**17,005**
preparation for reuse	13,442	0	13,442
recycling	3,563	0	3,563
other recovery operations	0	0	0
waste directed to disposal	**0**	**0**	**0**
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	0	0
non-recycled waste			
total	0	0	0
percentage of non-recycled waste out of total waste managed	0%	0%	0%

Rive also produced 2,144.6 tons of secondary raw materials in 2025.

Waste produced by Veritas in 2024 (t) by destination

76.7% of the waste produced by Veritas comes from waste collection and treatment operations (EWC 19 codes), as does 99.9% of the waste disposed of in landfills.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	54,767	244	55,011
preparation for reuse	30,560	184	30,744
recycling	1,655	60	1,715
other recovery operations	22,552	0	22,552
waste directed to disposal	58,037	424	58,461
incineration	0	0	0
landfill	415	0.4	415
other disposal operations	57,622	424	58,046
non-recycled waste			
total	58,037	424	58,461
percentage of non-recycled waste out of total waste managed	51.4%	63.5%	51.5%

Waste produced by Veritas in 2025 (t) by destination

83.5% of the waste produced by Veritas comes from waste collection and treatment operations (EWC 19 codes), as does 99.2% of the waste disposed of in landfills.

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**63,768**	**291**	**64,059**
preparation for reuse	49,196	271	49,467
recycling	2,462	20	2,482
other recovery operations	12,110	0	12,110
waste directed to disposal	**54,818**	**1,833**	**56,651**
incineration	0	0	0
landfill	601	1,579	2,180
other disposal operations	54,217	254	54,471
non-recycled waste			
total	**54,818**	**1,833**	**56,651**
percentage of non-recycled waste out of total waste managed	46.2%	86.3%	46.9%

The total waste produced by Veritas rose slightly from 2024 (+6%), with a decrease in the waste directed to disposal (-3%) and a considerable increase in recovery operations (+16%).

Waste produced by Euroscavi in 2024 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	1,025	0	1,025
preparation for reuse	393	0	393
recycling	0	0	0
other recovery operations	632	0	632
waste directed to disposal	0	2	2
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	2	2
non-recycled waste			
total	0	2	2
percentage of non-recycled waste out of total waste managed	0%	100%	0.2%

Waste produced by Euroscavi in 2025 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**4,653**	**0**	**4,653**
preparation for reuse	4,453	0	4,453
recycling	0	0	0
other recovery operations	200	0	200
waste directed to disposal	**0**	**0**	**0**
incineration	0	0	0
landfill	0	0	0
other disposal operations	0	0	0
non-recycled waste			
total	0	0	0
percentage of non-recycled waste out of total waste managed	0%	0%	0%

The increase in waste generated by Euroscavi is due to the increase in production activities, particularly those related to water and sewer system maintenance.

Sifa did not produce any special waste in 2025. It only carried out waste brokerage operations, for a total of 52,506 tons of brokered waste (51,307 in 2024).

As mentioned previously, there are many waste transfers among the Group companies. The table presents the data on the waste generated by the companies and those leaving the scope of consolidation. Due to a postponement of the deadline for submitting the Single Environmental Declaration Form (MUD), the related waste output data are considered provisional pending the final submission.

Group waste output in 2025 (t) by destination

waste type	non-hazardous	hazardous	total
waste diverted from disposal	**351,571**	**1,797**	**353,368**
preparation for reuse	247,691	1,770	249,461
recycling	4,730	27	4,757
other recovery operations	99,150	0.0	99,150
waste directed to disposal	**62,973**	**9,150**	**72,123**
incineration	0	0	0
landfill	51,042	1,579	52,621
other disposal operations	11,931	7,571	19,502
non-recycled waste			
total	62,973	9,150	72,123
percentage of non-recycled waste out of total waste managed	15.2%	83.6%	17.0%

12% of the waste was directed to landfills. Landfill use is limited solely to waste generated by waste treatment activities (such as slag and sand).

Treated and recovered municipal waste

The municipal and related waste produced by the Veritas Group is included in the total waste collected by Veritas (shown below) that at the end of the process - as regards unsorted waste and mixed waste from packaging - flows to Veritas' plants. The total waste includes some waste, not included in the statistic, that is produced and collected as sorted but that is not part of the percentage of sorted collection, as per Ministerial Decree of May 26, 2016, which establishes the guidelines for calculating the percentage of sorted municipal waste collection.

The presence of tourists and a fluctuating population affect considerably the determination of infrastructures needed to provide the waste management service. In fact, the metropolitan area of Venice and the surrounding municipalities attract millions of visitors every year, drawn by the natural beauty and historical and cultural heritage. Veneto is among the regions with the greatest tourist presence in hotels and non-hotel accommodations, in addition to numerous day tourists not included in the official statistics, and while tourists who stay overnight or consume on the premises contribute indirectly to the waste tax, those who do not use commercial services produce waste not covered by any payment, with a negative externality for the community. For these reasons, the tourist flow affects substantially the production and management of waste, which is higher in the summer months in all the municipalities served, with the exception of the municipality of Venice, where tourism is constant.

The Group pays particular attention to the actual recovery of the waste produced, and so the traceability of waste is certified every year under the UNI/Pdr 132:2025 reference practice to fully ensure the reliability and transparency of its activities.

The results obtained from monitoring the municipal waste flows, certified by an external and independent entity, are shown in the table hereunder:

Supply chains - 2023 data

supply chain	% recovery/directed to recovery
Paper and cardboard	97% directed to recovery in paper mill (of 60,934.37 t of paper and cardboard waste input at Pro-gest spa group plants)
Packaging glass	77% directed to recovery as furnace-ready glass (of 34,615.80 t of refined glass waste input at the Sibelco green solutions srl plant)
Corepla plastic	58% recovered as material (of 32,944.26 t selected at the Eco+Eco srl – *ricicla* plant)
Metals	90% directed to recovery as iron, aluminum and mixed refined metals (of 7,957.92 t of refined metal waste input at Metalrecycling Venice srl)
Residual municipal waste	27% recovered as material 34% recovered as energy (157,081.54 t of waste input at the Eco+Eco srl – *valorizza* css1 and css2 lines)

supply chain	% recovery/directed to recovery
Green waste	29% became fertilizing green compost (of 70,293.80 t of green waste treated at composting and integrated plants)
Organic waste	2% became mixed fertilizing compost (of 80,766.40 t of organic waste treated at the Bioman spa and Sesa spa plants)
Wood	85% directed to recovery as panels (of 15,009.59 t of wood waste input at the Mauro Saviola group plants)
Bulky waste	31% directed to recovery in the plastic, metal, wood and paper supply chains (of 14,526 t of bulky waste collected)
Street sweeping waste	80% directed to recovery (of 3,873.49 t of waste processed at the Rive srl plant – operating period June to Dec. 2023)

Supply chains - 2024 data

supply chain	% recovery/directed to recovery
Paper and cardboard	97% directed to recovery in paper mill (of 62,691 tons of paper and cardboard waste received at the sorting facilities)
Packaging glass	73% directed to recovery as furnace-ready glass (of 37,911 tons of refined glass waste input)
Corepla plastic	60% recovered as material (of 32,506 t selected at the Eco+Eco srl – *ricicla* plant)
Metals	77% directed to recovery as iron, aluminum and mixed refined metals (of 8,485 t of refined metal waste input at Metalrecycling Venice srl)
Residual municipal waste	29% recovered as material 35% recovered as energy (of 142,445 t of collected waste and waste input at the Eco+Eco srl – *valorizza* css1 and css2 lines)
Green waste and twigs	29% became fertilizing green compost (of 70,565 t of green waste treated at composting and integrated plants)
Organic waste	5% became mixed fertilizing compost (of 81,176 t of organic waste treated at the Bioman spa and Sesa spa plants)
Wood	82% directed to recovery as panels (of 16,327 t of wood waste input at the Mauro Saviola group plants)
Bulky waste	33% directed to recovery in the plastic, metal, wood and paper supply chains (of 15,873 t of bulky waste collected)
Street sweeping and beach cleaning waste	90% directed to recovery (of 16,760 t of waste processed at the Rive srl plant)

The organic waste chain is composed of two fractions: a solid fraction recovered as fertilizer and a liquid fraction from which biogas is produced (at the Bioman and Sesa plants). In 2024, 13,667 (10,516 in 2023) MWh of electricity, 11,466 (8,568 in 2023) MWh of thermal energy, and 6,248,152 (4,274,814 in 2023) Nm^3 of biomethane were produced.

Waste collected by supply chain (t)

supply chain	2024	2025
paper and cardboard	62,656	61,531
glass, plastic and metals	96,571	96,711
residual municipal waste	142,864	138,875
green waste	72,024	70,704
organic waste	91,453	91,620
wood	15,242	15,099
bulky waste	15,867	16,336
street sweeping waste	29,042	23,826

Own workforce [ESRS S1]

Human rights protection, inclusion and personal well-being are founding principles of the Veritas Group and an integral part of its social sustainability vision. Through structured policies and targeted initiatives, the Group promotes safe, inclusive and skills-oriented work environments while seizing growth opportunities and mitigating health and safety risks.

For more information on the process used to identify the impacts, risks and opportunities, see the section on ESRS 2, SBM-3.

IMPACTS	
✓	Positive impact resulting from staff enhancement through various technical and relational training activities, including those not strictly linked to the work environment; internal personnel assessment before recruiting externally, structured performance evaluation system, leadership model based on 5 cross-cutting skills, which allows to monitor and add more strategic processes concerning the people and the positions in the organization (e.g.: screening, replacement plans, reorganizations, assignments, performance bonuses, etc.).
✗	Negative impact related to accidents and work-related ill health resulting from inadequate preparation of safety measures, deficiencies in training, inadequate maintenance and/or conformity of structures and personal protective equipment, and the improper use of machinery and equipment.
✓	Positive impact in terms of improving individual well-being thanks to corporate initiatives related to welfare and a work-life balance, such as remote working, flexible working hours, tailored schedules, an easier commute.
✓	Positive impact in terms of improvement in working conditions resulting from the guarantee of the collective bargaining agreement.
✓	Positive impact on staff health due to various welfare initiatives related to personal health, such as pink campers, supplementary insurance, dermatological visits and prevention activities including those related to job risks such as the manual load handling, active aging projects).
✓	Positive impact in terms of inclusion and respect for diversity related to the promotion of these topics through specific corporate policies, certification and inclusion training activities.
✓	Positive impact due to the special awareness raised of the different forms of violence and harassment through various initiatives such as: dedicated training on the subject, presence of a trusted adviser to turn to, penalties for harassment in the corporate code of ethics, and inclusion of the risk in the Risk Assessment Document.
✓	Positive impact in terms of inclusion of persons with disabilities, by being equipped with accessible infrastructures and working methods and supported by technological innovation.
✓	Positive impact in terms of promoting gender equality through corporate initiatives, training, career paths and fair remuneration policies.

− RISKS	+ OPPORTUNITIES
Risk related to accidents and work-related illnesses that impose the need to replace injured staff, additional costs and potential penalties.	Opportunity related to training and the development of employee skills that can increase operational effectiveness and efficiency, improve the corporate climate and relationships, and strengthen the sense of belonging to the Group.
Risks associated with the hiring process. The need to ensure that the organization hires suitable candidates who meet standards set for integrity and possess the skills and qualifications required for the role.	
Risks associated with the failure to develop workforce plans that identify the current and future labor supply and demand, and clearly define the knowledge, skills, and competencies required of the workforce. Role requirements are also key considerations that help identify opportunities and risks. Absence of severance pay management.	

Material impacts, risks and opportunities and their interaction with the strategy and business model [S1-SBM3]

All the Group's workers, regardless of their contractual type - employees, including seasonal workers, students or staff provided by temporary employment agencies - fall within the definition of the Group's own workforce and are included in the reporting scope; in fact, the Group's people have always been the subject of careful consideration in the business strategy and business model.

The positive and negative impacts and the risks and opportunities were evaluated with the double materiality assessment, in order to provide an overall portrayal of the Veritas Group. The impacts identified are closely associated with the Group's strategy and business model, and are geared towards the constant enhancement of human capital, including through structural adjustments intended to manage new risks or seize emerging opportunities.

Below is a summary of the main material impacts, risks and opportunities of the organization's own workforce.

The material positive impacts are the result of training activities and personal and relational initiatives organized to promote the best working conditions. These impacts cut across the entire workforce and contribute to improving the quality of the workers' professional and personal life, strengthening their trust in the corporate environment.

The only negative material impact concerns the risk of accidents and work-related illnesses, associated with possible safety deficiencies, such as inadequate training, insufficient or non-compliant devices and structures, and improper equipment use. Although this impact is not systemic, it can occur in isolated episodes and requires constant monitoring through targeted intervention, training plans, internal audits and regular maintenance. With a view to improving prevention and protection assessment and management, the Environment division obtained certification under the international standard UNI EN ISO 45001:2023 standard in 2025.

In relation to the impacts described above, the Group has identified the following risks and opportunities:

- Risk of accidents and work-related illnesses with potential financial and organizational consequences, such as the replacement of absent staff, higher operating expenses and the exposure to penalties;
- risks associated with the hiring process. The need to ensure that the organization hires suitable candidates who meet standards set for integrity and possess the skills and qualifications required for the role;
- risks associated with the lack of workforce plans that identify the current and future labor supply and demand and clearly define the knowledge, skills, and competencies required of the workforce. Role requirements are also key considerations that help identify opportunities and risks. Absence of severance pay management;
- Strategic opportunity in training and skills development, capable of improving operational efficiency, work quality, sense of belonging and relationships between colleagues, contributing to the creation of shared value;
- there are no high-risk operations in terms of forced labor or child labor. In fact, the Group keeps up a high level of attention on these aspects, which are regulated in detail at a national level, including through the requirements imposed in the qualification processes and audits of external companies that supply personnel;
- the Group is aware that some categories of workers in its workforce may be more exposed to risks, such as those assigned to operational tasks or those with greater physical loads. For this reason, prevention, dedicated training, medical support and job analysis programs are in place that focus on gender, age, physical condition and type of contract.

Policies related to own workforce [S1-1]

The Veritas Group has set policies for responsible and sustainable workforce management formalized in the *Code of Ethics*, the *Disciplinary Code*, the management system regulations and procedures and the *Inclusion and Diversity Policies*. These tools guarantee coherence, fairness and attention to the rights, well-being and development of the people within the organization.

■ *Code of Ethics*

In *the Code of Ethics* (for details see the section on ESRS G1, G1-1), the Veritas Group undertakes to respect the rights and the physical, cultural and moral integrity of all the persons with whom it interacts. The centrality of the person is expressed in particular by valuing its workers (whether they are employees or connected through another work relationship) while respecting their diversity. The Group also undertakes to protect the integrity of its employees by spreading and enforcing a workplace safety culture, developing risk awareness, complying with current legislation and promoting responsible behavior by all those who work with it. Furthermore, it undertakes to preserve, with preventive, organizational and technical actions, the health and safety of its workers, the contractors' personnel and external workers.

As reported in its *Code of Ethics*, the Veritas Group supports and respects human rights. Accordingly, the *Code of Ethics* is prepared in accordance with the national regulations in force and with the principles contained in the United Nations *Universal Declaration of Human Rights*, the breach of which is subject to the specified penalties. The *Code of Ethics* is also in conformity with the *Code of Equal Opportunities*, UNI/PdR 125:2022 and UNI/PdR 159:2024. Furthermore, to the extent compatible, it adheres to the *Code of Conduct for Public Employees* pursuant to Presidential Decree 62/2013 and subsequent amendments, and with the guidelines of Anac Resolution 177/2020. In the *Code of Ethics*, the Group states its commitment to promoting interactive dialogue with all stakeholders and to adopting sustainable social and ecological behaviors compatible with ESG parameters.

■ *Disciplinary code*

In accordance with the principles set out in the *Code of Ethics* and in compliance with the current regulations, the Veritas Group has adopted a *Disciplinary Code* (for details see the section on ESRS G1, G1-1) to ensure proper work performance, promoting responsible, transparent behaviors in keeping with its values. This *Code* defines in a clear and detailed manner the prohibited conduct and the applicable penalties in the event of breach, with a view to fairness, proportionality and protection of the individual. The *Disciplinary Code* is a fundamental tool to prevent unlawful conduct or behaviors that are against the organization's interests, reinforcing a corporate culture of integrity and personal accountability.

The Veritas Group is committed to ensuring the most extensive dissemination possible of the *Disciplinary Code* to all its workers and contractors, with ongoing communication, training and updating activities to promote the awareness of the respective duties and adherence to its ethical and organizational principles. The Disciplinary Code is posted at all the companies' offices.

■ *Management system regulations and procedures*

Integrated management systems consist of the set of documents that break down the organization's activities, ranging from the policies defined to the targets set for each process that the Group uses to ensure the services where it operates, managing impacts, risks and opportunities. For further details, see the section on ESRS G1, G1-1.

Based on the characteristics and complexity of the individual plants, the Group companies have adopted an occupational health and safety management system compliant with the UNI ISO 45001:2023 standard. The system was implemented to prevent accidents and work-related illnesses, and promote safe and healthy workplaces for all the workers. All the Group companies, except for Metalrecycling, which nevertheless applies the guidelines of the standard, are certified with the UNI ISO 45001:2023 standard, demonstrating their concrete commitment to ensuring personal safety, legislative compliance and continuous improvement in health and safety performance.

In carrying out its activities, the Group undertakes to adopt the best management and organizational practices, to proactively assess and manage risks, and to implement preventive and corrective measures for protecting the workers. In this context, the Group companies operate under integrated policies that guide the daily actions in accordance with the principles of prevention, organizational well-being, transparency and accountability.

For the purpose of managing the impacts, risks and opportunities related to their own workforce, the Veritas Group companies obtained several voluntary human resource certifications, including:

- *UNI/PdR125:2022 certification of gender equality, adopted by Veritas, Depuracque, Lecher and Eco+Eco*. The certification represents a specific policy meant to eliminate discrimination, including harassment, and promote equal opportunities and other solutions to foster diversity and inclusion. The companies have made specific commitments through the certification, such as to comply with Directive (EU) 970/2023 regarding pay transparency and its upcoming transposition into Italian law, and regarding inclusion and positive action for persons belonging to highly vulnerable groups within their workforce. These commitments include mentoring programs, diversity and inclusion training, and initiatives to improve accessibility and support for employees with disabilities. The certification is accompanied by specific procedures to ensure that discrimination is prevented, mitigated and addressed if detected. The procedures include: anonymous reporting (whistleblowing) mechanisms for employees (for more information, see the section on ESRS G1, G1-1), mandatory diversity and inclusiveness training for all employees, monitoring and periodic reviews of business practices to ensure the compliance with non-discrimination policies.
- *UNI/PdR 159:2024 certification - Work force inclusive of persons with disabilities, adopted by Veritas*. The certification concerns a work force inclusive of persons with disabilities, and provides guidelines and best practices to organizations that seek to promote the inclusion of persons with disabilities. The main objectives of the certification include: promoting inclusiveness, adapting work environments, training, raising awareness, developing corporate policies and monitoring the effectiveness.
- *UNI ISO 45001 certification, adopted by Veritas, Asvo, Depuracque, Lecher, Eco+Eco and Euroscavi - international standard for occupational health and safety management systems*.

The own workforce policies do not address human trafficking, forced or compulsory labor or child labor, as these issues are not relevant to the activities of the Veritas Group and the boundaries within which it operates.

Diversity policy

Consistently with its commitment to protecting and enhancing the workers as stated in the *Code of Ethics*, the Group works to promote practices to develop and manage internal resources by setting policies that promote their well-being and protection. On this front, the parent company has adopted *Inclusion and Diversity Policies* that apply to all the Group companies' employees.

The document, drawn up by Veritas spa and approved by the Board of Directors, encapsulates the diversity and inclusion policies intended to generate value and efficiency in the organization; it is available on the Group companies' websites and intranet. The general objectives of the document are to set out the organization's fundamental principles to best enhance the activities of each person, according to their capability and potential, while recognizing the differences in the individuals' skills and abilities and increasing their knowledge and capacity. The policies touch on various aspects that have emerged as material impacts, risks and opportunities, including training, personal well-being, non-discrimination and disabilities. Gender parity and welfare are also considered. Reasons for discrimination specifically contemplated in the document are: gender; gender identity, sexual orientation; disabilities, neurodiversity, and cognitive styles; age and generational difference; interculturality and religious belief. Several intersecting areas are then assessed, such as marital status, family situation, and living arrangements; caregiving, and non-traditional caregiving responsibilities; socioeconomic status and accessibility; body diversity and combating aesthetic biases; relational styles, introversion, and extroversion.

The Group purchases, implements, and uses artificial intelligence (AI) solutions in full compliance with the principles of equal access, inclusion, gender equality, and interculturality to limit and prevent the creation of biases and discriminatory effects that undermine human dignity. In this context, the Group prohibits the use of AI solutions intended to effectively distort an individual's behavior by exploiting vulnerability due to their age, disability, or socioeconomic situation.

Processes for engaging with own workers and workers' representatives about impacts [S1-2]

In setting its strategies for managing the actual and potential material impacts on its own workforce, the organization ensures the structured and continuous engagement of its workers and their representatives, including both the trade unions and workers' safety representatives. Communication occurs using periodic consultation methods and with active participation in specific engagement processes, as detailed hereunder.

The Group undertakes to integrate the feedback collected into the decision-making processes, ensuring that workers are informed about the results and about the influence of their requests. Engagement activities are carried out both centrally and at a site/planning level, with a system to collect and centralize information that allows for consistent analysis at an organizational level, coordinated by specific committees and working groups. The organization allocates dedicated human and financial resources to promoting an ongoing dialogue with its workforce.

Global framework agreements and trade union agreements improve the understanding of the workers' perspectives and help assess the engagement effectiveness, including through concrete results or agreements reached.

In 2024 a new *industrial relations protocol* was stipulated under which the sustainable development goals (SDGs) are applied, fundamental for the management approach of any organization with a vision for the future. It provides a global sustainability vision and ensures that strategic decisions are taken in the interest of the community and the planet. Only through responsible and sustainable management can organizations contribute to achieving the SDGs and do their part for a better future.

The protocol has identified bilateral commissions, which examine the demands associated with the related activities and are empowered to sign minutes and agreements, and working groups that perform an investigative activity aimed at preparing technical documents that are submitted the bilateral commissions or union negotiation tables. Equal participation of women and men is guaranteed in the commissions and working groups.

The topics covered are: equal opportunities; training, conversion of performance bonuses into wellness credits, commissions on new professional skills, implementation of the supplementary agreements; wellbeing, work-life balance, parenting, inclusion and sustainability, health and safety, purchase of company vehicles and equipment, challenges to employability and employer branding, optimization of processes in the performance of the service.

In addition, an internal survey was conducted in 2025 involving the Group's employees to understand their perceptions of inclusion-related topics and their awareness of the initiatives implemented by the Group. For further details, see the section on ESRS 2, SBM-2.

Lastly, with respect to safety, anonymous internal investigations were reported in 2025 for all the employees regarding harassment and work-related stress.

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

The organization has established specific processes to address and remedy material impacts, where it has caused or contributed to them. In the area of health and safety, these processes include timely internal investigations of incidents or risk reported, the implementation of immediate corrective measures, and verification of the effectiveness of the actions taken through internal audits, performance indicators (e.g. reduction of accidents, absenteeism rates for safety-related reasons), and feedback from the workers involved. The grievance mechanisms relating to health and safety allow each report to be tracked, its status monitored and its resolution assessed in terms of time and results.

In general, the Group's people have several channels available to communicate their concerns safely and directly, including:

- a digital whistleblowing platform; for details, see the section on ESRS G1, G1-1;
- the listening desk;
- the human resources office;
- the confidential adviser (for the prevention and monitoring of mobbing and harassment, including with training and consulting, helps remedy individual cases with informal or formal procedures; the references are available on the intranet site and with dedicated e-mails)
- onboarding processes for all employees;
- periodic meetings with workers' health and safety representatives.

The Group adopts structured grievance mechanisms for its personnel, ensuring confidentiality, timeliness and impartiality. Requests can be submitted through the dedicated channels listed above, and all reports are analyzed and, if necessary, followed up with corrective actions.

The Group actively promotes the availability and accessibility of these channels in all workplaces, with information campaigns, specific training sessions and engagement with the workers' safety representatives. The issues raised are constantly monitored, patterns are analyzed and preventive and corrective measures are adopted. The awareness of these channels, and their effectiveness, were assessed with a survey distributed to Veritas' employees in 2024 following a harassment training activity, the results of which were made available to the employees in the first half of 2025. The survey included an analysis of the awareness of the tools made available for reporting all situations of work-related distress. A survey was also given on inclusion-related topics and on the knowledge of the Group’s activities. To ensure a safe environment in which employees can freely express their concerns, the organization has also adopted a zero-tolerance policy towards retaliation in order to protect anyone who uses these tools, including workers' representatives. These protections are communicated clearly and implemented rigorously to reinforce a high-participation and transparent safety culture.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions [S1-4]

To achieve the strategic human resources objectives, and to prevent, mitigate and remedy negative impacts and risks and pursue opportunities, the Veritas Group has taken the actions detailed below.

The Group's objectives are summarized in its strategic plans for obtaining certifications on gender equality (UNI/Pdr 125:2022) and disability (UNI/Pdr 159:2024), and in its focus on safety certifications under the UNI EN ISO 45001:2023 standard.

The *Inclusion and Diversity Policies* promoted by the Group have a tangible impact on the communities of origin of its workers. This goes beyond just the employment aspect, as it also focuses on attracting disadvantaged or marginalized persons.

The Group recognizes that work is one of the main catalysts for the integration and self-determination of each individual, as stated in Articles 3 and 4 of the Italian Constitution. Furthermore, inclusion values fostered in the workplace are reflected positively in the private lives of the workers, and thus generate a beneficial impact on the surrounding area.

To ensure the monitoring and evaluation of these impacts, Veritas has made efforts to carefully measure the effects of its policies on the communities involved.

To keep attention on all the topics of the actions, in 2024 the parent company's general management established a Group D&I Steering Committee with the purpose of adopting efficiently and implementing continuously the *Inclusion and Diversity Policies*. The Committee proposes to value and protect diversity and equal opportunities in the workplace, with an action plan (Group Strategic Plan, consistent with the objectives of the *2026-2030 Business and Adaptation Plan* whose time horizon that covers the current duration of the service engagements) for their implementation, setting up a business model that guarantees the maintenance over time of the requirements set and implemented, and measuring the progress made through specific KPIs to be reported in the management system documents, used to maintain and verify the planned actions including through system audits.

The strategic plan defines, for each identified topic of the policy concerning each material impact or risk and opportunity, simple, measurable, achievable, realistic objectives, planned over time and assigned as implementation responsibilities. The Group Steering Committee, in coordination with the inclusion working group, collects and analyzes the general and specific KPIs relating to the implementation of the *Strategic Plan* and evaluates its progress by implementing corrective actions in the event of discrepancies.

During 2025, the following initiatives were introduced to contribute to the psychological and physical well-being of the workers:

- Inclusion Day, launched in 2022 and expanded into Inclusion Month in 2025, has broadened the opportunities for discussion and learning about diversity, equity and inclusion (DEI) issues;
- a series of analysis and listening initiatives has been introduced, including the "InclusiON or InclusiOFF?" survey of inclusion perceptions within the company, and a partnership with Ca' Foscari University to investigate people's actual welfare and work-life balance needs;
- inclusion extends to users through concrete accessibility measures, including video interpretation in Italian Sign Language (LIS), multilingual simultaneous translation at service counters, and the creation of informational content in multiple languages (such as videos on recycling in Bengali);
- the activation of "Punti Viola" to support women who are victims of violence;
- the construction of parking spaces accessible to persons with disabilities at recycling centers, the adaptation of physical spaces (such as doorbells accessible to persons in wheelchairs),

and the adoption of the highly legible Easyreading font in company documentation.

There is also an integrated set of economic, social, and educational welfare initiatives designed to provide tangible support to the well-being of the Group's employees throughout the various stages of their professional and personal lives. Specifically:

- the Dritto platform provides employees with a digital service of guidance and easy access to national and local public bonuses, incentives, and benefits related to areas such as family, housing, health, education, and disabilities;
- the agreement with Easypay for tax return form 730 allows employees to use tax assistance services at favorable terms, simplifying the access to advice and reducing the administrative burden on employees;
- il Fermaglio, in collaboration with Mag Venezia, offers micro-credit and solidarity-based loans to help meet personal or family needs, while promoting a responsible and sustainable approach to managing financial resources;
- reimbursement of summer camp fees helps families during school closures, promoting a better work-life balance and assisting parents;
- the Education Award recognizes and assists with the achievement of academic credentials by employees providing a financial contribution to the welfare platform or welfare vouchers.

Taken together, these initiatives form a comprehensive system of measures that integrates corporate welfare, social responsibility, and income support.

In 2025, the Well-being Project was launched, a structured program of webinars and in-person meetings designed to assist overall personal well-being. The project represents the evolution and streamlining of initiatives launched in previous years, integrating them into a continuing program that runs throughout the year. In collaboration with associations, entities and external professionals, including the Giulia Cecchettin Foundation network, with which the Veritas Group signed a memorandum of understanding in 2025, it offers practical tools and opportunities for the in-depth exploration of topics such as health, psychological well-being, personal wealth management, parenting, and neurodiversity, guiding participants on a journey of growth and self-awareness.

The organization promotes a range of initiatives focused on prevention and employee health. These include a counseling center and an on-site nutritionist, as well as specific prevention campaigns such as the "Pink Camper" (breast cancer screening) and "Blue Day" (PSA testing for prostate cancer prevention). Since 2024, these have been accompanied by annual screenings that vary from year to year, including dermatological and cardiology visits and, more recently, diabetes checks. The activities are designed to be easily accessible and to address people's needs effectively, using various strategies to support a work-life balance (e.g., initiatives held during working hours and/or at the company's premises).

In addition, the following training sessions and initiatives were organized:

- regular training and informational sessions on health and safety, including from a gender perspective;
- prevention initiatives, both annual (Pink Camper, Blue Day, etc.) and one-off (in 2024 and 2025, dermatological visits in collaboration with LILT— the Italian League Against Cancer).

Thanks to its efforts and focus on protecting its employees' health and well-being, Veritas was once again awarded "health-friendly company" certification in April 2025 by Fondazione Onda ETS, the National Observatory on Women's and Gender Health.

The activities receive various types of funding (tax relief for obtaining gender equality certification, "Riparto" notice, funded training, etc.), so they do not represent a cost for companies, apart from the specialized safety training.

To evaluate the effectiveness of the measures, regular surveys are conducted with the employees, resulting in the structuring of the training and other listed above, and then the effectiveness is measured for each event with specific questionnaires that are used to plan the next events.

In 2025, the investments related to safety, inclusion, and the renovation of premises to create a more conducive work environment totaled approximately € 5 million.

Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities [S1-5]

The Veritas Group's targets regarding human resources, in keeping with the *Strategic Plan* and the *Inclusion and Diversity Policies*, are stated in the *2026-2030 Business and Adaptation Plan* and were set to address the material **impacts**, **risks** and **opportunities**.

For the target setting process, see the section on S1-4.

Improvement and upgrading of premises to ensure workers' health and safety

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Operational optimization and divestment of non-owned premises to ensure workplace safety and more women's locker rooms, covering the entire need to accommodate the increased female employment, including in operational services					
Environment and Heritage Services Division	In 2023, the process of reducing the operational dispersion and the abandonment of non-owned locations reached 15%	2027	Employees	Assessment of the current net assets, planning of the office relocations and planning of women's locker rooms	% completed Completion of Bibione locker rooms
Operational optimization and divestment of non-owned offices to ensure workplace safety and improve personal well-being - Calnova work					
Water Service and Heritage Services Division	In 2023, the building conversion reached 0%	2028	Employees Entities	Implementation of reorganization project at the Calnova premises awaiting approval by the Municipality	% completed
Restructuring of Depuracque Servizi srl buildings					
Depuracque	In 2024, the project implementation reached 30% completion	2027	Employees Residents | Entities	Construction of the new premises	33% completion

Promotion of the values of diversity and inclusion in recruitment and hiring processes

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Ensure a fair and inclusive hiring process					
Group Human Resources Management	In 2023, a total of 13 notices were prepared	2038	Residents Employees	Preparation of hiring notices containing rules to prevent gender inequality; and preparation of hiring with gender-neutral job descriptions and recruitment targeted to both men and women	2025: 28 notices 100% inclusive notices
Promote inclusiveness and diversity in the hiring process					
Group Human Resources Management	In 2023, the rate of female participants reached 30%, 87 out of 292 total	2038	Residents Employees	Promote inclusiveness and diversity in the hiring process as a competitive lever to value respect, the enhancement of skills and the effectiveness of new hires	2025: 80 women admitted out of the total 332 admitted (24.09%) Note: This figure includes those admitted to the Veritas' external hiring processes and the internal, intra-group, and Eco+Eco processes. No hiring processes were initiated for Depuracque and Lecher.
Promote inclusiveness and diversity principles to enhance skills and attract new talent					
Group Human Resources Management	In 2023, 1 soft skills enhancement tool was used	2038	Residents Employees	Determine a hiring method that takes into account diversity and inclusion principles to enhance skills and attract talent	2024: 0 assessments/11 coachings completed 2025: 2 assessments/2 coachings completed + 4 started up
Promotion of gender equality in hiring processes					
Group Human Resources Management	In 2023, women accounted for 53% of the hiring committees, with 27 participants out of 51 total.	2038	Residents Employees	Appoint hiring committees that take diversity into account in all its dimensions intersecting with the competencies, and prohibit questions during interviews related to marriage, pregnancy, or caregiving responsibilities	2025: total commissions 99 persons of whom 60 women (61%). Note: The data includes Veritas' external hiring fees and the internal, intragroup, and Eco+Eco fees. No hiring processes were initiated for Depuracque and Lecher.
Promotion of initiatives to foster the inclusion of disadvantaged persons in the workforce					
Group Human Resources Management	In 2024, two youths were placed on training courses, one of whom was later hired	2038	Residents Employees	Exceed regulatory compliance requiring the hiring of disadvantaged persons by concentrating on the individual and ensuring an inclusive environment with greater work participation of persons with disabilities, including internships for boys and girls with disabilities	Placement of a youth in an internship (through SIL)

Characteristics of the undertaking's employees [S1-6]

The Veritas Group, whose entire workforce is employed in Italy, consisted of 3,613 persons at December 31, 2025. Within the Veritas Group, the most represented professional categories are those of (administrative and technical) white-collar workers and blue-collar workers, who account for approximately 32% and 64% of the employees, respectively. Due to the nature of the services provided, the Group is largely made up of labor-intensive companies, in which the majority of the population consists of blue-collar workers and technicians.

With respect to the calculation methodology, for all the metrics regarding this section, the information refers to the number of persons at the end of the reporting period.

Total number of employees in 2024-2025 by gender

gender	2024	2025
men	2,850	2,870
women	736	743
other	0	0
not reported	0	0
total employees	**3,586**	**3,613**

99.9% of the employees have a permanent contract (3,609 employees in total), of which 20.6% are women and 79.4% are men. The remaining 0.1% of them are on a temporary contract (4 employees in total), all men. No hourly employees were in service in 2025. The number of total employees rose slightly from 2024 (+0.8%), whereas the share of women remained fairly constant.

92.7% of the employees have a full-time contract (3,351 employees in total), of which 83.5% are men and 16.5% are women; 7.3% of the employees have a part-time contract (262 employees in total), of which 72% are women and 28% are men.

Number of employees in 2024 by contract type and gender

	women	men	not reported	other	total
number of employees	736	2,850	0	0	3,586
number of permanent employees	729	2,844	0	0	3,573
number of temporary employees	7	6	0	0	13
of which with non-guaranteed hours	2	1	0	0	3
number of full-time employees	532	2,754	0	0	3,286
number of part-time employees	204	96	0	0	300

Number of employees in 2025 by contract type and gender

	women	men	not reported	other	total
number of employees	743	2,870	0	0	3,613
number of permanent employees	743	2,866	0	0	3,609
number of temporary employees	0	4	0	0	4
of which with non-guaranteed hours	0	0	0	0	0
number of full-time employees	554	2,797	0	0	3,351
number of part-time employees	189	73	0	0	262

The total number of employees who left the organization in 2025 is 143, accounting for a turnover rate of 4%; of these, 34 were seasonal workers. The total number of employees who left the organization in 2024 is 162, for a turnover rate of 4.5% and 35 seasonal workers. Hence, the turnover rate fell by 12%.

Characteristics of non-employee workers in the undertaking's own workforce [S1-7]

The area served by the Group is highly touristic. In fact, Veneto is the region with the highest number of tourists in Italy (around 70 million per year on average, more than 74 million in hotel and non-hotel accommodations in 2025) and the city of Venice has the highest number of tourists in the Veneto Region (39 million in hotel and non-hotel accommodations in 2025, in addition to day tourists). Tourist fluctuations are very pronounced in the summer months in the coastal areas, while in the historic city of Venice the monthly fluctuations are less strong, with a high tourist presence every month of the year.

To meet the increased demand for services in the summer months and, at the same time, satisfy the need for employees to take their vacation time, the Group uses seasonal labor. However, recently a serious, growing difficulty in finding personnel was encountered, at all the organizational levels, especially drivers with C and CQC licenses for larger vehicles, despite introducing many external hiring processes. Therefore, since 2024 it has been necessary to resort to substantial temporary work, involving 17 employment agencies. Moreover, in accordance with the personnel regulations, an additional external hiring channel was defined, in which searches and screening are assigned to temporary employment agencies with the provision of an initial period of placement for the temporary candidates. Overall, in 2025 the Veritas Group employed 359 temporary workers (400 in 2024) and 23 interns/students (30 in 2024). The interns/students are not workers employed by the Group's companies; they are carrying out an internship for the preparation of their university thesis or as part of the school-work alternation program. Like for the employee workers, the number of non-employee workers is reported in terms of the number of persons. All operations are carried out in Italy, and 37 of these workers work outside the Group's geographical area for activities carried out directly at clients' facilities. The other non-employee workers work at the Group's business offices.

Collective bargaining coverage and social dialogue [S1-8]

The Group promotes a constructive and continuous dialogue with the workers' representatives, based on mutual respect and the pursuit of shared solutions. This commitment translates into fully recognizing trade union rights, including freedom of association and the right to collective bargaining, and ensuring compliance with the current regulations and collective bargaining agreements applicable in the contexts in which it operates. As part of its commitment to a fair working environment respectful of workers' rights, the Veritas Group adopts several national collective bargaining agreements (CCNL), thus ensuring full protection of freedom of association and the right to union representation, in accordance with the current legislation. At December 31, 2025, the Group's entire workforce, comprising 100% of the staff, was covered by national collective bargaining agreements, and all those applied agreements fall within the European Economic Area (EEA).

For temporary workers, the working conditions in terms of days and hours worked per week, remuneration, holidays and vacation time are consistent with the levels, hourly service and roles for which they are employed on the basis of the collective bargaining agreements covering the employees. Hence, 100% of the working conditions of the temporary workers are determined by national and company collective bargaining agreements.

Since the students and interns are not employees, but persons involved in training programs, depending on the type, their administration is structured as follows:

1. school-work alternation is regulated by Legislative Decree 77/2005, which defines its purposes, methods and activation criteria for the secondary education pathways;
2. extracurricular internships are regulated by Regional Council Resolution 1816/2017, subsequently updated by Resolution 634/23, which sets the conditions, duration and requisites for activation at a regional level.

At December 31, 2025, 100% of the Veritas Group's total workforce was covered by union representation, regardless of union membership. No agreements of European relevance exist because the Group operates exclusively in Italy.

Diversity Metrics [S1-9]

For the Veritas Group, promoting gender diversity means much more than ensuring equal opportunities: it is a concrete commitment to combating all forms of discrimination and gender-based violence. Below is the gender distribution at the top management level, understood as the group of executives and managers present in the Group's workforce at December 31.

Gender distribution at top management

gender	2024	2025
number of employees in top management		
men	77	75
women	37	38
other	0	0
not reported	0	0
total	**114**	**113**
percentage of employees in top management		
men	68%	66%
women	32%	34%
other	0%	0%
not reported	0%	0%

The age breakdown of the Veritas Group's staff is also a key indicator for understanding the demographic structure and internal dynamics. The table below shows the distribution of the employees by age group at December 31, providing a useful overview for planning human resource management policies, encouraging generational turnover and promoting targeted professional development initiatives.

Distribution of employees by age group

	2024		2025	
age	number	percentage	number	percentage
under 30 years old	192	6%	202	5%
30 to 50 years old	1,626	45%	1,545	43%
over 50 years old	1,768	49%	1,866	52%

Social protection [S1-11]

All Veritas Group employees are covered by social protection, through public programs or through benefits offered by the organization, against loss of income due to major life events such as:

a. illness;
b. unemployment starting from when the own worker is working for the organization;
c. employment injury and acquired disability;
d. parental leave;
e. retirement.

The Group regularly applies appropriate measures for all the situations listed above, in accordance with Italian law. The same protections also extend to temporary workers, based on the contractual and regulatory provisions established by the temporary employment agencies.

Persons with disabilities [S1-12]

The Veritas Group is committed to promoting an inclusive workplace that respects the rights of all persons, with particular attention to the protected categories. In compliance with the current legislation, the inclusion and enhancement of workers with disabilities is ensured, and their fundamental contribution to the organization's growth is recognized.

Law 68/99, Article 1 on protected categories identifies as protected persons: persons with a civil-related disability exceeding 45%, persons with a work-related disability exceeding 33%, blind or deaf-mute persons, war invalids, civilian war invalids, and those with a service-related disability.

At December 31, 2025, employees with disabilities in the Veritas Group accounted for 4% of the total employees, with a 3% male and 1% female gender distribution. This percentage was calculated as the ratio between the number of workers with disabilities and the total number of employees in the organization, and is stable compared to 2024.

Employees with disabilities

gender	2024	2025
percentage of persons with disabilities among the employees	**4%**	**4%**
of which men out of the total employees	3%	3%
of which women out of the total employees	1%	1%

Training and skills development metrics [S1-13]

The parent company's career development office constantly monitors career- and pay-related activities, ensuring transparency and consistency in the review processes. In this regard, an updated register is kept of all the initiatives carried out during the year relating to job classifications and salary adjustments. The percentage of employees who participated in regular performance and career development reviews is reported below; the data takes into account the number of persons who received:

- a job classification (direct or from end of training);
- a salary adjustment.

Any employee who received both measures was counted only once during the year.

In 2025, an important performance management assessment was conducted covering all Veritas' staff; it was included as a type of periodic performance review in addition to the two aforementioned methods. This explains the significant increase in percentages compared to 2024, shown in the table below.

Regular performance and career development reviews

gender	2024	2025
employees		
men	6%	63%
women	13%	40%
other	0%	0%
not reported	0%	0%
total	**7%**	**58%**
upper management		
men	100%	100%
women	100%	100%
other	–	–
not reported	–	–
total	**100%**	**100%**
lower management		
men	18%	100%
women	33%	80%
other	–	–
not reported	–	–
total	**24%**	**92%**
white-collar employees		
men	13%	40%
women	14%	30%
other	–	–
not reported	–	–
total	**13%**	**36%**
blue-collar employees		
men	3%	68%
women	2%	61%
other	–	–
not reported	–	–
total	**3%**	**68%**

With respect to the training hours, the Group carefully monitors the different types of courses provided, the total number of hours and the detailed list of participants, thus ensuring timely and accessible training for all, regardless of contract, job classification or position.

The average number of training hours by gender, reported in the table below, was obtained directly from internal records. The average number of training hours by gender is calculated as the total number of training hours divided by the total number of employees per gender category at December 31.

Average number of training hours by gender

gender	hours/ work force 2024	hours/ work force 2025
men	21.8	20.2
women	28.3	24
other	-	
not reported	-	
total	**23.1**	**20.9**

Health and safety metrics [S1-14]

The Veritas Group undertakes to ensure safe working environments that comply with the current regulations. 100% of the employees are covered by the occupational health and safety management system as regulated by Legislative Decree 81 of 2008.

In addition, to further strengthen this commitment, some of the Group's companies have adopted management systems certified under the UNI ISO 45001 standard, which attest to compliance with high international standards. Currently, these certifications cover approximately 57% of employees. The companies of the Depuracque Group (Depuracque, Lecher, Rive, Euroscavi), Eco+Eco, Asvo and Veritas' waste management division have this certification.

Eco+Eco and Veritas' environment division obtained UNI ISO 45001 certification in 2025. Veritas' cemetery services are also planned to be certified under that standard.

Below is a summary of the main health and safety metrics. The number of recordable injuries is the total number of work-related injuries occurring during the year (excluding only *in itinere* injuries occurring on the commute to and from the workplace), and the number of days lost is the total number of days lost in the calendar year due to work-related injuries or work-related ill health. The injury rate is calculated as the ratio of the number of recordable injuries to the total hours worked multiplied by a constant pre-scaled factor (1,000,000).

The number of recordable work-related ill health cases is the total number of work-related ill health reports received in 2025: 12 illnesses reported, of which: 1 was recognized by the National Institute for Insurance against Accidents at Work (Inail), 5 were not and 6 are being verified.

In 2024 and 2025 there were no fatalities due to work-related injuries and work-related ill health of anyone working at the organization's locations, including workers in the value chain.

Employee health and safety metrics

category	2024	2025
number of fatalities as a result of work-related injuries and work-related ill health	0	0
number of recordable work-related injuries	185	186
rate of recordable work-related injuries	31.9	31.7
number of cases of recordable work-related ill health, subject to legal restrictions on the data collection	8	12
number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	4,769*	4,952

* However, the number of days of absence for 2024 does not include injuries that originated in 2023 and continued into 2025 because that data had been included in the GRI-compliant indicators published in the 2023 Non-Financial Statement. If the days of absence due to injuries originating in 2023 were added for 2024, the total number of days lost becomes 5,046 instead of 4,769.

The number of days of absence due to work-related injuries includes the days of absence in 2025 for injuries that originated in 2024.

Work-life balance metrics [S1-15]

According to national law, all employees are entitled to take family-related leave, upon justified request. The percentage of employees that took family-related leave is calculated as the total number of persons who used the entitlement out of the total number of employees in service at December 31 of each year. 100% of those who requested family leave took it.

			2024	
	women	men	not reported	other
percentage of employees entitled to take family-related leave	100%	100%	–	–
percentage of entitled employees who took family-related leave	17%	23%	–	–

			2025	
	women	men	not reported	other
percentage of employees entitled to take family-related leave	100%	100%	–	–
percentage of entitled employees who took family-related leave	19.7%	24%	–	–

The percentage of men who used parental leave increased by 13%, whereas that of women remained fairly consistent.

Remuneration metrics (pay gap and total remuneration) [S1-16]

The gender pay gap is defined as the difference of average pay levels between female and male employees, expressed as percentage of the average pay level of male employees.

The employees in service at December 31, 2025 were considered. For each employee, the hourly compensation was calculated as the fixed and variable annual remuneration, including bonuses, divided by the number of workable hours from the employee's pay slip. The men's hourly remuneration and the women's hourly remuneration were then averaged and the pay gap percentage was calculated. As evident in the table below, the average pay for women is on par with that of men, and women's average hourly wages were slightly higher than men's in 2025.

To calculate the annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual), the annual total remuneration for each employee was used, counting the fixed remuneration (fixed and continuous items) plus the variable remuneration (overtime, hours of availability, less absences due to illness, injuries and other leaves). Bonuses paid in the year (but referring to the previous year) were also accounted for. The salaries were all reallocated as if the employee had worked full time and for the entire year.

The Group conducted a weighting analysis of its positions in order to take the necessary steps to comply with Directive (EU) 970/2023 on pay transparency and its upcoming transposition into Italian law.

Gender pay gap and annual total remuneration ratios

	2024	2025
gender pay gap ratio	0.54%	-0.17%
annual total remuneration ratio of the highest paid individual to the median annual total remuneration	6.54	7.05

Incidents, complaints and severe human rights impacts [S1-17]

In 2025, three reports of discrimination were received through the channels set up internally by the Group. One case, involving aggressive and inappropriate language, resulted in a suspension from work for several days without pay; another, involving innuendos and jokes, resulted in a written reprimand; and one was dismissed on the basis of investigation findings. None involved human rights violations.

In 2024, there were three reports of discrimination, all involving incidents of harassment (one of which resulted in the employee’s dismissal).

The total amount of fines, penalties, and compensation for damages as a result of these incidents is zero.

There were no cases of severe human rights incidents relating to the work force in 2025 or in 2024. Consequently, there were no fines, penalties or compensation for damages as a result of these incidents.

Consumers and end-users [ESRS S4]

The Veritas Group's main areas concern the integrated water service, waste management and public services, sectors in which the recipients include a number of different parties, and in which the public nature of the Group conveys special value to the quality of the relationship with them.

For details on the double materiality assessment, see the section on ESRS 2, SBM-3.

IMPACTS	
✓	Positive impact from the increase in channels accessing information, with digital and traditional tools that improve the communication, timeliness and dissemination of information to a greater number of people.
✓	Positive impact on users' health and safety from the purification, disinfection and control of water intended for human consumption.
✓	Positive impact on users' social inclusion from the multilingual communication tools, accessibility for persons with disabilities, and financial support measures such as conciliation, bonuses and invoice installment payment schemes.
✓	Positive impact from greater accessibility to the services supplied, facilitated by the widespread presence of affiliates throughout the area, the use of digital platforms and dedicated services.
X	Negative impacts on consumers and end users – access to products and services with issues related to interruptions in drinking water service due to network maintenance, water shortages, and do-not-drink orders.

− RISKS	+ OPPORTUNITIES
Risks caused by issues arising from interruptions in drinking water service due to network maintenance, water shortages, and do-not-drink orders. The risks may include reputational risks, compensation to users, Arera penalties, failure to comply with standards, and failure to meet Arera objectives.	

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

The Veritas Group's consumers and end-users are all those who use the Group's services and include the private citizens, businesses, municipal administrations, and suppliers located in the area served. As an operator of essential services, the Group recognizes its responsibility to ensure effective, safe and transparent interaction with all consumers and end-users, as well as accurate, transparent and accessible information about the services offered. This report, like the Group in performing its activities, takes into account not only those who use the Group's services directly, but also all those who may be involved in or influenced by them.

The material impacts are assessed and integrated into the strategy and business model of the Veritas Group, which directs its operations to ensure the satisfactory use of its services. Furthermore, the Group's business model and business strategy are subject to constant monitoring, so that they can be promptly adjusted in response to new risks, opportunities and impacts that have not yet been addressed. In this context, the impacts, risks, and opportunities related to consumers and end users are among the factors that directly orient the Group’s adjustments to its strategy, business plans, and operational processes.

The following is a summary of the main material impacts, risks and opportunities regarding consumers and end users.

In the double materiality assessment, the Veritas Group identified some material positive impacts that produce concrete benefits for the large number of consumers and users of its services. For the Group, guaranteeing a truly effective service means knowing how to combine innovation, proximity and attention to the different needs of people. In this sense, the increase in channels to access information and the expansion of the service accessibility represent key elements:

digital and traditional tools, such as help desks, digital platforms and dedicated services, allow for more timely, detailed and personalized communication, reaching an increasingly high number of consumers and end-users and facilitating the interaction with the service. Access to communication channels and the inclusiveness of these tools is not limited to the type of channel used, but is also reflected in the form and content of the communications. The introduction of multilingual communication tools and the attention to the needs of persons with disabilities enable all end-users and consumers, without distinction, to easily access information and services. This is accompanied by important financial support measures - such as bonuses, the possibility of paying bills in installments or conciliation processes - which bolster social inclusion further, ensuring that no one is excluded for financial or fragility-related reasons. Another of the Group's positive impacts for consumers and/or end users is connected with user/consumer health and safety protection, especially for the water segment; thanks to the constant controls, disinfection and purification of the water intended for consumption, the Group guarantees safe water while strengthening the trust of the users/consumers in the public service.

The only negative impact found refers to access to products and services related to issues arising from interruptions in the drinking water service due to network maintenance, water shortages, or do-not-drink orders.

Similarly, a risk has been identified related to issues arising from interruptions in the drinking water service due to network maintenance, water shortages, and do-not-drink orders. The risks may include reputational risks, compensation to users, Arera penalties, failure to comply with standards, and failure to meet Arera objectives.

Policies related to consumers and end-users [S4-1]

For the Veritas Group, centering on the users and consumers of its services means guaranteeing quality, transparency and continuous dialogue. The Group's commitment translates into the adoption of effective communication tools, active listening to the needs expressed by communities, and constant improvements to processes, in keeping with the fairness and responsibility principles stated in the *Consumer Code* and industry regulations. The tools are the *Code of Ethics* and the *Service Charters*.

Code of Ethics

In the *Code of Ethics* (for details see the section on ESRS G1, G1-1), the Group prioritizes user/consumer satisfaction and undertakes to provide clear, transparent communication and to promote a quality service, fairness in relationships, and the use of conciliatory solutions in the event of disputes. As reported in its *Code of Ethics*, the Veritas Group supports and respects human rights. Accordingly, the *Code of Ethics* is prepared in compliance with the national regulations in force and with the principles contained in the United Nations *Universal Declaration of Human Rights*, the breach of which is subject to the specified penalties. The *Code of Ethics* is also in conformity with the *Code of Equal Opportunities*, UNI/PdR 125:2022 and UNI/PdR 159:2024. In the *Code of Ethics*, the Group states its commitment to promoting interactive dialogue with all stakeholders and to adopting sustainable social and ecological behaviors compatible with ESG parameters.

Service charters

The *service charters* (for details see the section on E2, E3, E5: E2-1, E3-1, E5-1) are official documents with which the Group states the quality standards that it undertakes to guarantee to its users and the methods of supplying the services, which establish the fundamental principles observed in the supply of the public services, including the transparency, efficiency, effectiveness, quality, safety and continuity of the service. They are a tool for safeguarding the users and also a formal commitment to promoting efficient and sustainable management of the services. The Veritas Group has the following service charters: the *integrated water service charter*, *integrated municipal waste management service charter* and *cemetery service charter*.

In the Charters, as a service operator, Veritas undertakes to define various types of information relating to the relationships with the users, including accessibility to the service and to information and the methods to ensure it. Veritas recognizes and promotes inclusiveness and respect as positive values within the organization and for all stakeholders: to support and defend inclusion, actively advancing the adoption of inclusive practices for its internal and external stakeholders; to understand the challenges of inclusion, aware that inclusion and the creation of the culture needed to pursue it are processes that require organizational re-planning and re-programming at all levels, such as with the adoption of reasonable arrangements[7].

Processes for engaging consumers and end users about impacts [S4-2].

The Veritas Group undertakes to establish a continuous, transparent dialogue with its users. Every year the Veritas Group uses customer satisfaction surveys to identify the degree of its domestic and commercial users' satisfaction with the main services it supplies (waste management service, integrated water service, cemetery services) in order to take action to improve the services based on the feedback.

The survey is taken by third parties and is coordinated by the sustainability, environment and safety office; the results are published on the website and presented to the boards of directors, shareholders (mayors) and all management levels of the companies.

The maintenance or improvement of customer service performance is linked to the performance objectives of all the employees.

The research was started with the objective of: investigating the main factors of user satisfaction /dissatisfaction with the water service, waste management service and cemetery services offered by Veritas and Asvo; showing the main levers and areas for improvement; monitoring in detail the various activities. The dimensions taken into consideration to identify the strengths and weaknesses and the overall user satisfaction are as follows:

- product factors;
- service factors (including the dimension concerning the
- communication channels);
- business image;
- perceived value;
- complaints reported.

To achieve the objectives, the municipalities served by Veritas are analyzed.

In addition, five events were organized during 2025 with the shareholders representing their residents to understand their interests and views in relation to the Veritas Group's impacts, risks and opportunities. Also, the meeting with advocacy groups representing persons with disabilities took place as planned, focusing on the topics of inclusion and non-discrimination. Attention was concentrated on the accessibility to the Group's premises and services, in order to identify potential areas for improvement. For further details, see the section on ESRS 2, SBM-2.

This important project has evolved into a permanent forum for dialogue with associations representing persons with disabilities, first held in 2024. During that meeting, guidelines were drawn up for managing the scope of application of Legislative Decree 222/2024, "Provisions regarding the redevelopment of public services for inclusion and accessibility, implementing

[7] Necessary and appropriate modifications and adaptations, which do not impose a disproportionate or undue burden, where they are required in special cases, to ensure to persons with disabilities the enjoyment and exercise of all human rights and fundamental freedoms on an equal basis with others.

Law 227, Article 2, paragraph 2, letter e) of December 22, 2021", which made it possible to analyze the quality of the services supplied with regard to the actual accessibility to those services of persons with disabilities.

Some projects promoted by the Inclusion Group have significant social value, such as the project with Coges to help unaccompanied foreign minors find employment. The expected impacts range from instilling a sense of respect for the rules, both among the interns (*I Care* project) and among the colleagues who mentor them, with the goal of fostering a harmonious working environment within the organization, and support to Coges for training on environmental issues (waste sorting). A shared objective of Coge's *I Care* project is to enhance the local business community's capacity for integration by promoting the best practices emerging from the projects implemented through shareholder municipalities and other local companies.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns [S4-3]

The double materiality assessment conducted in 2025 identified only one negative impact related to consumers and end-users, stemming from issues regarding interruptions in the drinking water service due to network maintenance, water shortages, and do-not-drink orders.

In general, the Veritas Group provides its users with communication channels to raise their concerns or needs and receive assistance in this regard. Each user, individually or through expressly delegated consumer associations, is entitled to request information concerning himself or herself, according to the methods set out in Law 241 of August 7, 1990 "New rules on administrative procedures and the right of access to administrative documents" (updated with the amendments introduced by Law 15/2005 and Law 80/2005) and in any specific regulations of the individual operators. The user can submit complaints and requests, produce briefs and documents, and make suggestions for improving the service. There are many channels through which a user can contact the organization: call centers, mail and e-mail, online help desk, physical help desks. The contact channels, with related addresses and telephone numbers, are described on the websites of the two Group companies that have a direct relationship with the users: Veritas (for waste management services, water services, cemetery services and other local public services) and Asvo (for cemetery services and other local public services).

As stated previously, the waste management service and the water service are regulated by Arera. The respective service charters have been drawn up for the two services (for details see the section on ESRS S4, S4-1), in accordance with the regulations, approved by the respective Basin Councils after hearing from consumer and trade associations. The charters, available on the two companies' websites, set out the grievance mechanisms, conciliation procedures (for the water service), information request procedures and methods and times for the operators' response. A *service charter* was also drawn up for the cemetery services operated by Veritas for the Municipality of Venice, approved by the Municipality of Venice after hearing from the consumer associations. A dispute conciliation protocol was stipulated for the water service and cemetery services of the Municipality of Venice. These regulations can be consulted on Veritas' website on the pages dedicated to the relevant services, and the *service charters* contain the references to the consumer associations that have joined the protocol.

The communication channels made available by the Veritas Group are public and accessible to anyone who needs them. To evaluate the effectiveness of its services, the Veritas Group analyzes the notifications received and adopts corrective and improvement actions to prevent repetition of the critical issues found.

The Veritas Group informs its users about the existence of communication and assistance channels through its website, social media, emails and public events. The contact channels dedicated to the end users of the services are widely publicized, ensuring their presence and accessibility in compliance with the regulatory requirements, and their comprehension and effectiveness are verified in part through the customer satisfaction surveys. Veritas Group has also implemented a whistleblowing system and adequate measures to protect individuals that use it against retaliation. For further details, see the section on ESRS G1, G1-1.

Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions [S4-4]

In order to achieve the strategic objectives related to consumers and end users, the Veritas Group has taken the following actions to strengthen its positive impacts. These same actions also help mitigate the only significant negative impact and the risks associated with drinking water service interruptions (network maintenance, water shortages, do-not-drink orders), by improving the service quality and continuity and reducing reputational and regulatory risks (including penalties and Arera standards).

The actions, which extend for the duration of the engagements, are broken down into topics and relate to the following matters:

- *Digitalization and development of communication channels and tools and guarantee of access to the services provided to the users*. Usability of the services for persons with disabilities, in technical and functional terms (accessibility of counters for deaf persons with sign language interpreting; site accessibility), and in terms of physical accessibility (activation in nine collection centers of a courtesy area dedicated to persons with disabilities who can reserve the service and thus be supported in the delivery; physical accessibility to the reading of water meters with smart meters; accessibility to cemetery services with dedicated processes). The effectiveness of the actions is measured with specific controls by persons with disabilities who are part of recognized trade associations or by external companies.
- *Implementation of actions to ensure the safety and effectiveness of the services and technical quality standards* relating to the actions taken regarding the integrated water service and waste management services, to guarantee the safety of the local area and the uniformity of the services and to reduce costs and therefore maintain adequate billing levels, as well as the actions regarding the crematoriums to increase the efficiency of the processes and therefore the usability of services for the residents interested. Installation of smart meters for visually impaired or blind persons.

No severe human rights issues or incidents connected to consumers and/or end-users were reported during 2025.

In 2025, the investments in digitization and service accessibility totaled approximately € 4.5 million.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities [S4-5]

The Veritas Group's targets related to the end users and the quality services supplied to them are stated in the *2026-2030 Business and Adaptation Plan* and are intended to advance the Group's positive impacts.

Digitalization and development of communication channels and tools and assurance of access to the services provided to users

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Increase in online services available to the user and the recording of the activities					
User service	80% completion in 2024	2025	Users Residents Persons with disabilities	Reaching of accessibility tested with persons with disabilities	Online actions achieved: 100%
Activation of sign language interpretation desk at counters for users with simultaneous interpretation accessible for the entire duration of the counters' opening hours					
User service	80% completion in 2024	2025	Users Residents Persons with disabilities	Reaching of accessibility tested with persons with disabilities	% counters and services with interpretation activation 100%
Activation of a service dedicated to persons with disabilities for deliveries to collection centers for 9 collection centers in the area served					
Waste management services	Start-up in late 2024 of training for all collection center staff and structuring of courtesy areas at the identified sites	2025	Users Residents Persons with disabilities	Reaching of accessibility tested with persons with disabilities	% of area coverage, collection centers with service started: 100%

The actions targeted to users, especially persons with disabilities, are acknowledged in the *service charters*. Moreover, a permanent forum of the associations of persons with disabilities was set up for the purpose of reporting on the actions planned and their progress. The use is tested by the members of the permanent forum.

In October 2025 these initiatives were the subject of specific stakeholder engagement with the permanent forum of persons with disabilities.

Implementation of targeted actions to ensure the safety and effectiveness of the services and technical quality standards

scope of application	baseline (value/year)	year reached	stakeholders involved	methodologies, assumptions and scientific data used	status
Optimize capex and costs to affect as little as possible the costs incurred by the community served					
Waste management services Eco+Eco	In 2023, capex and cost optimization reached 0%	2030	Users Residents Shareholders Group companies	Best available technologies when building or revamping the facilities	Sorting and preparation of the fractions for reuse and recycling; energy recovery and site management; storage of fractions that cannot be recovered or reused. Action taken on 100% of revamping line 2 and glass line
Standardization of the collection models and of the rates					
Waste management services	In 2023, the process of standardizing the operational and administrative activities reached 80%	2038	Users Residents Shareholders	Arera Standards	% completion based on standardization models. 100% completion
Achievement of micro-actions to complete sewerage system in areas not yet served					
Integrated water service	In 2023, the project to complete the sewerage system in areas not yet served reached 85%	2026	Users Residents Shareholders	Ambit planning and own engineering	% of completion

The objectives, contained in the *Business and Adaptation Plan*, are brought to the General Meeting of the shareholders (the Municipalities) representing the residents. The progress made on the plan is also brought to the attention of the General Meeting, which monitors it and identifies, if opportune, any transversality of the experiences or improvements deriving from the performance.

Governance information

Business conduct [ESRS G1]

The Veritas Group is committed to preventing corruption and bribery by adopting principles of legality, transparency and integrity in its business management. By complying with the regulations in force and adopting responsible business practices, the Group intends to contribute to building an ethical and sustainable environment.

IMPACTS	
✓	Positive impact from the prevention and identification of corruption and bribery due to the training provided to employees, ISO 37001 certification, and audits pursuant to Legal Decree 231.
X	Negative impact related to difficulties suppliers may encounter due to potential payment delays or payment terms that exceed those agreed upon in contracts.

− RISKS	+ OPPORTUNITIES
Risk related to the continuous, rapid evolution of industry regulations, creating the obligation for the organization to adapt to the new regulations and thus involving non-compliance, reputational and compliance cost risks.	

Corporate culture and business conduct policies [G1-1]

To ensure fairness and transparency in its business conduct, in keeping with its business policies, the Veritas Group has adopted a system to raise the awareness of all the organization's employees and all those who work in the name and on behalf of the organization or under its direction and supervision, so that they behave properly and consistently when carrying out their work, in a manner that does not risk committing the crimes contemplated by Legislative Decree 231/2001 and Law 190/2012, in accordance with UNI ISO 37001 standard.

To this end, the parent company has adopted and promotes at the other companies:
- the *corruption prevention policy*;
- the anti-bribery management system (UNI ISO 37001:2016);
- the *organization, management and control model* (pursuant to Legislative Decree 231 of June 8, 2001) (Model 231);
- the *code of ethics and disciplinary code*;
- The *three-year plan for corruption prevention and transparency* ("Ptpct");
- Veritas' *supplier code of conduct* (applied to all the Group suppliers)
- the management system regulations and procedures.

company	37001	Model 231/01	Code of ethics and disciplinary code	Management system	Supplier code of conduct	Ptpct
Veritas	■	■	■	■	■	■
Asvo		■	■	■		■
Depuracque		■	■	■		■
Lecher		■	■	■		
Eco+Eco *ricicla*	■	■	■	■		■
Eco+eco *valorizza*	■	■	■	■		■
Metalrecycling			■	■		■
Euroscavi			■	■		
Sifa		■	■	■		

Code of Ethics

The *Code of Ethics* is an official document of the organization, approved by the Board of Directors, which states the ethical commitments and responsibilities and promotes good conduct practices, designed to achieve the business objectives, with respect to all the stakeholders. The *Code of Ethics* is published on the companies' websites.

The *Code of Ethics* identifies the Group's corporate culture based on observance of the law, loyalty, ethics, professional fairness and economic efficiency in internal and external relations, with the purpose of promoting behavioral guidelines focused on providing satisfactory services and enhancing a positive corporate reputation. The *Code of Ethics* constitutes a set of principles and guidelines whose observance is of fundamental importance for the achievement of the social and financial objectives, for regular business performance, for management reliability and for the Group's image. The principles govern the operations, behaviors, and internal and external relationships of the Group companies.

The Veritas Group's business is based on the ethics of managing the common good: the civil dimension, understood as the set of beliefs that guide people's daily actions, essential to building a corporate culture of social co-responsibility and collaboration for the safeguarding of the common good. The Veritas Group aspires to maintain and develop positive ethical relationships with its stakeholders, i.e. those categories of persons, groups or institutions that have any legitimate interests or rights gravitating around the organization.

The stakeholders are the public administrations and residents, consumers/users, Veritas employees and contractors, local shareholder entities, supervisory bodies, bondholders and in general all those who are invested in the organization's business, trade union representatives, workers' safety representatives, consumer associations, suppliers, business partners and the community. Fairness, honesty and transparency in relationships benefit the shareholders' investments, the relationships with local institutions, customer loyalty, the career development of the employees and the suppliers' fairness and reliability, and for these reasons they constitute a fundamental objective for the Group.

The Veritas Group undertakes to promote ethical behavior, fully respecting human rights in every area of its business, in accordance with the national regulations in force and with the principles of the UN *Universal Declaration of Human Rights*, which directors, employees, contractors and suppliers are required to abide by, and if these parties should breach the *Code of Ethics*, they will be subject to the relevant penalties; the Group companies will report any non-compliant conduct to the legal authorities if the conditions for this should exist.

Disciplinary code

The *Disciplinary Code*, approved by the Board of Directors, applies to all Veritas spa's employees and constitutes guidance for the Group's other companies. It contains the duties, responsibilities and disciplinary actions applicable to the workers, set out according to the collective bargaining agreements. This *Code* is posted at all the companies' offices. The *Code* contains the procedures for handling breaches of the *Code of Ethics*, the *Organization and Management Model* pursuant to Legislative Decree 231/2001 and related annexes, and the *Three-Year Corruption Prevention Plan*.

Supplier Code of Conduct

The Veritas Group has adopted the *Supplier Code of Conduct*, approved by the Board of Directors, which describes the requirements and expectations with which all suppliers are required to comply, with a view to continuously improving the activities. Suppliers must abide by all the laws and regulations applicable in the countries in which they operate, particularly regarding the fundamental human rights stated in the Universal Declaration of Human Rights.

In compliance with the *Public Contracts Code* where applicable, the Group intends to develop and cement its relationships with suppliers that share the principles stated in the *Code of Ethics* and the *Integrity Pact*, set out in the *Code*, and that promote the adoption of them by their contractors and supply chain. The *Code* does not replace but rather it supplements, to the extent possible, the legal requirements and the general contractual conditions. The *Code* is published on the parent company's website.

■ *Management system regulations and procedures*

The Veritas Group companies have management systems consisting of regulations, procedures, operating instructions and forms setting out the modes of action in all the areas.

The documents refer to operational and business modalities and can be directed to staff, suppliers, consultants and contractors or residents, users and consumers. Their approval methods are defined in the document management procedures; regulations directed externally must always be approved by the Boards of Directors. They are usually drawn up in compliance with the laws or standards cited on the covers of the documents (for example, UNI standards).

These regulations and procedures constitute a preventative measure against corruption risks, and they represent a fundamental tool to guarantee the integrity, transparency and traceability of the business processes. The documents are available to all the staff on the companies' intranets and also on the websites if they have external value.

The effectiveness of the implementation of the procedures, operating instructions, and forms is verified through system audits. The findings of the internal and external audits conducted by the certification body are recorded in the nonconformity log. Each year, as part of the management review, the number of audits conducted, the number of minor and major nonconformities, and the corrective actions taken to resolve them are summarized. Those in charge of the management system verify the timeliness and effectiveness of the corrective actions using the nonconformity log.

■ *Anti-corruption policy and anti-corruption management systems*

With respect to the services managed, within the scope of current legislation and to implement international anti-corruption agreements, Veritas spa promotes anti-corruption policies and adopts the related strategies, and it distributes them to the other Group companies.

The policies prohibit all forms of corruption and bribery, and focus in particular on supplier screening, contract management, warranty clauses, integrity and more generally on the proper use of discretionary power in management functions, setting penalties for any conduct in violation of these policies and of the applicable regulations. They also promote the development and application of the knowledge of the competences, and respect for them, while continuously improving the services. Veritas spa, and with it the Group, reinforces its anti-corruption controls by raising the awareness of its policies and the corruption prevention management system through the supply of opportune information, training and communication tools and measures for the parties working with it in various capacities, both externally and internally, ensuring compliance with legislation and anti-corruption regulations in particular.

The *anti-corruption policy*, approved in 2019 and updated in early 2025, encourages reporting suspicions in good faith, or on the basis of reasonable and confidential conviction, without fear of retaliation; it includes a commitment to improving continuously the anti-corruption management system and provides the consequences of non-compliance. In this respect, Veritas has set up an anti-corruption compliance function provided with the necessary authority and independence, which carries out services at the subsidiaries. The organization defines the appropriate measures to pursue the principles stated and applies all the tools and measures needed to prevent corruption and check their application. The anti-corruption management system ensures that:

- the internal procedures to prevent corruption risk are implemented;
- appropriate responsibilities for the processes and adequate controls over them are assigned;
- effective communication flows and adequate responses are ensured;
- corruption risks are identified, analyzed and assessed in a manner consistent with the organization's activities and context;
- "reasonable and appropriate" measures are taken to prevent, detect and address corruption and bribery;
- the system is reviewed after potential or actual changes and in any case periodically with a view to continuous improvement;
- all the obligations of the current anti-corruption legislation applicable to the organization are met constantly.

The *corruption prevention policy* must be implemented by all the parties involved in corruption prevention and control, and therefore by every employee, manager, corporate body, local shareholder entity, and third party with whom the organization interacts. In order to ensure the constant application of the quality standards described by the mandatory and voluntarily applied standards, the Group conducts a periodic review of the adequacy of the system and processes (through financial and non-financial controls, management reviews, etc.) where corruption risks could potentially lurk, and puts into place appropriate corrective measures when discrepancies exist between the standards set and those emerging in the review. The document is duly distributed (published on the organization's website and intranet portal, sent to all contractors and the companies owned and controlled by Veritas, published on the supplier platform, posted at the organization's offices, sent to all employees, and delivered to newly hired personnel, and the link to Veritas' website where it is published is made available to external consultants, suppliers, and business partners in general). The document, called the UNI ISO 37001 *anti-bribery prevention management system*, is also published on the organization's intranet portal.

231/01 Model

Veritas spa – aware of the need to ensure fairness and transparency in its business conduct and corporate activities, in order to protect its position, image, shareholders' expectations, and the work of its employees and stakeholders in general – has deemed consistent with its corporate policies to adopt an *organization and management model* pursuant to the related decree, as the holding company of the Veritas Group.

The company, which independently adopts the *231 Model*, has recommended its adoption by the individual subsidiaries, which have taken into account the instructions contained in Veritas' *Model* and the additional guidelines provided therein for the purposes of directing and coordinating them, with a view to a coherent approach to the *231 Model* governance and the methodology for preparing *231 Models*, without infringing on the operational autonomy (and responsibility) of each subsidiary's supervisory body.

The initiative began with the establishment of the Compliance Committee, and its first formal act was the issuance of the code of ethics. The *Model* was adopted with the conviction that it could be a valid tool for raising awareness among all those who operate in the name and on behalf of the organization, so that they would perform their work using fair and honest conduct that would prevent the risk of committing the crimes contemplated in the decree.

The *231 Model* was prepared by taking into account not only the decree, but also the relevant guidelines developed by trade associations, as well as the abundant American experience in preparing crime prevention models, American best practices and the *Federal Sentencing Guidelines*.

In identifying the areas potentially exposed to the risk of committing crimes, a risk assessment was conducted (“Risk assessment matrix – 231 crime”), the results of which are presented in a separate confidential document kept by the company. In preparing the *231 Model,* the corporate case history and current court decisions were taken into account, attributing importance, for the purpose of building a truly effective prevention system: to any previous company experiences relating to cases in which company representatives have – in the interest of or even to the detriment of the company – committed crimes, and to individual legal proceedings involving third-party companies. The analysis contributed significantly to the identification of both the areas and activities that present special or greater risk profiles, and to the procedural and control governance theoretically suitable for preventing improper or unlawful conduct.

The *231 Model* was adopted, in the first instance, with a Board of Directors' resolution dated February 21, 2012 and was updated with subsequent Board resolutions during 2025; it is published on the companies' websites.

- *Three-year plan for corruption prevention and transparency*

Veritas and Eco+Eco have adopted a *three-year plan for corruption prevention and transparency* ("Plan"), approved by their respective Boards of Directors.

In accordance with the current legislation, the *corruption prevention and transparency plan* is published in the dedicated section of the companies' institutional website and is communicated to the employees and contractors through the intranet as well as by notification via e-mail or other corporate communication systems, so that it is made known and its provisions are observed. All the employees are informed of the publication through appropriate notification, even those who do not use electronic devices in performing their work. Both internal and external parties may submit observations and proposals for amendments to the *Plan*. The *Plan* is made available for consultation externally and internally, through the company websites, in order to obtain any observations and proposals for amendments that can be evaluated for the purpose of improving the *Plan* and to create forms of stakeholder consultation and participation in the *Plan*. The updates are proposed by the corruption prevention and transparency manager in part using notifications received from the Compliance Committee.

The general risk areas to which the companies are exposed are identified for the preparation of the Plan. For the parent company, the risk areas identified are those relating to:
– public contracts;
– personnel hiring and management;
– management of income, expenses and assets;
– controls, audits, inspections and penalties;
– legal matters and litigation;
– positions and appointments.

This list is indicative; after carrying out the *risk assessment*, and in keeping with *2019 National Anti-Corruption Plan* Annex 1 - *Methodological guidance for corruption risk management,* Veritas identified additional risk areas regarding its functional and contextual organizational specificities (the specific areas).

Reporting and monitoring

Each year, the anti-corruption managers draw up an annual report with the Anac format that is submitted to the corporate boards and published on the organization's website. The monitoring activity is planned appropriately and documented in an annual monitoring plan that states the:
– processes/activities being monitored;
– frequency of the controls;
– methods of carrying out the controls.

Monitoring by the corruption prevention and transparency manager and compliance function is carried out on an annual basis and, for high-risk proceedings, on a semiannual basis.

The corruption prevention and transparency manager also conducts monitoring through the internal audit system and independent auditor team pursuant to Legislative Decree 231/01, which they also use through their staff, as envisioned in the three-year plan for corruption prevention and transparency, according to the annual schedule. They can participate through their staff in the scheduled audit activities and interact with the referred managers and directors or their workers for updates on the activities performed and on the implementation of the measures planned, including for operational problems in applying the measures. The corruption prevention and transparency manager checks directly some measures, in particular those governing ineligibility and incompatibility.

The Compliance Committee and the auditor team participate, as within their competence, in the risk assessment and management process within the scope of the *Organization and Management Model*. They express an opinion on the code of ethics adopted in accordance with the industry legislation (Legislative Decree 165, art. 54, paragraph 5 of 2001) and check the results of its application (disciplinary reports, audit reports, etc.). The Compliance Committee has to promptly report to the corruption prevention and transparency manager any potential danger of committing unlawful conduct emerging from its control activity under Legislative Decree 231/2001 and the *Organizational Model* pursuant to Legislative Decree 231/2001.

Veritas' Compliance Committee, coordinator of the subsidiaries' Compliance Committees, reports annually to the Board of Directors and holds periodic meetings to exchange information with the Board of Statutory Auditors.

Reporting channels

With respect to reports of violations of internal, national or European Union regulations (whistleblowing), the Veritas Group is subject to the obligations set out in Directive (EU) 2019/1937, transposed into Italian legislation, on the protection of whistleblowers). The Directive concerns the protection of persons who report breaches of Union law and contains provisions regarding the protection of persons who report violations of national or European Union regulations that harm the public interest or the integrity of the public administration or private entities, of which they have become aware in a public or private work context; it regulates the conditions for verifying the reports and for the feedback to be provided to the whistleblower, internal and external reporting and public disclosure, while broadening the objective and subjective scope of application of the protections.

In compliance such provisions, the Group has set up notification channels, including electronic ones, and handles whistleblowing reports in accordance with the relevant regulatory requirements, taking into account the "guidelines for protecting individuals who report crimes or irregularities discovered through their employment, pursuant to Legislative Decree 165/2001, Art. 54-bis" issued by the National Anti-Corruption Authority on June 24, 2021. The Veritas Group companies have adopted a regulation, or procedures, on whistleblowing management, organizational acts that define the procedures for receiving and handling whistleblowing reports, for which the companies ensure maximum distribution, and whose contents may be referred to. Information on whistleblowing and on the internal reporting channel as well as the external one, maintained by Anac, is also available in a dedicated section of the companies' websites, in the transparency sections. Both internal and external stakeholders can access the channels.

Training

The Group provides specific training targeted to the employees, including temporary and seconded staff, on corruption and bribery prevention, transparency, publicity, integrity and legality, in keeping with the corruption prevention policies adopted by the companies. To manage the staff training process, the Group has equipped itself with an *information, education and* *training management* policy, where all the relevant areas are represented. Assisted by the Group's human resource and organization management as within its competence, the corruption prevention and transparency manager, using stakeholders' proposals, is responsible for planning and organizing this training activity annually and evaluating the content, schedule, trainees, controls and any planning of additional mandatory training for staff located in areas exposed to a higher corruption risk. A focal point is the training of the corruption prevention and transparency manager. The training is targeted to all the employees and managers at all levels, statutory auditors, Compliance Committee members and the corruption prevention and transparency manager, and is carried out by internal and/or external instructors, including through seminars and course attendance. If the corruption risk assessment and the evaluation of the results thereof should detect the presence of business partners whose corruption risk exceeds a low level, the Group's contractual agreements with them call for adopting measures and controls that can prevent the risk from materializing. In this regard, the organization provides business partners with a specific e-learning training module that includes the elements necessary to mitigate the risk level. The *corruption prevention training plan* also provides training methods for the employees of business partners. The individuals for whom the training is intended must compulsorily attend it. The Group updates the *corruption prevention training plan* annually, and its implementation is one of the objectives of the organization's managers and officials. The training plan is updated annually, in part to reflect the organization's regulatory, interpretative and internal organizational updates, and is broken down by the roles of the parties involved in the training and the risk of corruption to which they are exposed. For details on the planning and content of the three-year training activities, see the annually updated *corruption prevention training plan*, which reports the training conducted in 2025 for both the corporate boards and the employees.

During 2025, Veritas and the Group companies carried out training activities on this topic, with Veritas acting on the objectives set forth in the *training plan* by organizing, planning, and delivering training courses on corruption prevention and transparency. All the Group companies provided anti-corruption training. Veritas organized the following activities:

- *Refresher course on the applicable regulations, crime, corruption and bribery risks, the ISO 37001:2016 standard and Veritas' corruption prevention management system.* Promoted and organized by Veritas spa's corruption prevention and transparency manager and Compliance department in collaboration with the Human Resources and Organization management, and conducted by an external instructor, the course was held for members of Veritas spa's Board of Directors, Board of Statutory Auditors, the Veritas Compliance Committee, and all levels of the company's management. The training was delivered with two methods: In person for members of the corporate boards, the Compliance Committee and executives, and via streaming and through the company's e-learning platform for middle managers and managerial staff. The course curriculum, which includes case studies, focused on the types of criminal offenses, whistleblowing reports, trade secrets and confidential information from the perspective of the related corruption risks, and on the management system for corruption prevention, company protocols of specific interest, and topics concerning interactions between Legislative Decree 231/01 and the ISO 37001 standard. With regard to in-person training, a workshop session was organized during which a specific case drawn from case law was discussed. To assess the effectiveness of the training, tests covering the course topics were administered to the middle managers and executives.
- *Anti-corruption and transparency training for newly hired employees.* Training on corruption prevention and the corruption prevention management system, as well as on ethics and legality, targeted to newly hired staff was provided by a member of the compliance function, within the context of more varied training sessions and with a view to integrating management systems, including other subjects of business interest such as Legislative Decree 231/2001 and the Veritas *231 Models*. The courses were conducted in person, and the participants took learning assessments, with satisfactory results.

- *Training on conflicts of interest and public-to-private sector crossover ("pantouflage")* Two training sessions were held entitled *Conflict of Interest: From the Formality of the Law to Substantive Action within the Organization* organized by the anti-corruption and transparency working group of Viveracqua scarl's consortium companies, which includes integrated water service operators based in the Veneto Region. The training sessions, which involved members of the aforementioned working group as well as executives or persons delegated by them to manage corruption prevention, were conducted by industry professionals via streaming. The program focused on regulations and the description of conflicts of interest and public-to-private sector crossover *(pantouflage)*.
- *Training courses for Project Managers.* The procurement and contracting management organized and conducted training and informational courses for the Project Managers, including through the distribution of dedicated newsletters, focusing on the management of procurement contracts and other topics deemed relevant by the procurement and contracting management for the effective and efficient performance of contractor selection procedures, taking into account the training needs identified in the department's risk assessment forms.
- *Anti-corruption and transparency training for corruption prevention and transparency managers and the compliance function.* Corruption prevention and transparency managers and the compliance function received specialized courses and seminars and refresher courses promoted and organized by external training providers and certification bodies on the relevant subjects.
- *Short training courses on anti-corruption and transparency.* The Viveracqua scarl corruption prevention and transparency working group has produced short video lessons designed to provide basic training and updates on corruption prevention and transparency, in the form of educational "nuggets" aimed at increasing awareness in this area. The training will be provided in 2026 via the e-campus platform and will involve blue-collar and white-collar employees classified up to Level 6 of the applicable national collective bargaining agreements.

During 2025, the respective corruption prevention and transparency managers trained the administrative and operational staff of Eco+Eco, Depuracque and Lecher on the topics of corruption prevention and transparency, whistleblowing, 231 Models (Legislative Decree 231/2001) and UNI/PdR 125:2022 (on gender equality), as well as ethics and standards of conduct. In addition, an external instructor provided specific training on corruption prevention and conflicts of interest to the members of the Board of Directors, the Board of Statutory Auditors, the Compliance Committee, and managers.

In accordance with the three-year plan for corruption prevention and transparency, the Veritas Group identifies as being most at risk of corruption and bribery the functions involved in the management of public contracts and contracting, personnel recruitment and management, income/expense/asset management, controls, audits, inspections, and enforcement activities, legal affairs and dispute management, positions and appointments.

The percentage of functions at risk, as defined in the *three-year plan for corruption prevention and transparency*, covered by training programs is 100%.

The members of the administrative, management and supervisory bodies are trained periodically, and during 2025 also received training on anti-corruption topics and Legislative Decree 231/2001.

Corporate culture and business conduct actions and objectives

There is no measurable objective at a Group level, because the anti-corruption measures are contained in the specific plans of the Group companies that adopt them.

For Veritas, the general measures identified by the lawmaker and regulated as such in the *national anti-corruption plan*, applicable since they are compatible with Veritas, regard: transparency, the code of ethics, the regulation of conflicts of interest, prohibition of public-to-private sector crossover (no pantouflage) following the termination of employment, ineligibility and incompatibility of the engagements, the formation of commissions, the turnover of staff involved in areas at risk of corruption, whistleblowing systems, ethics and legality training, awareness-raising actions and relations with civil society, the computerization of processes, procurement legality protocols and integrity pacts. Based on the organization's functions, structure and characteristics, additional prevention measures for Veritas' entire corruption prevention management system are identified, in compliance with the UNI ISO 37001 standard.

The strategic objectives are to:
- reduce the opportunities for corruption to occur;
- improve the ability to detect corruption;
- create an environment that discourages corruption.

In addition, Veritas confirmed its three-star rating from the Italian Competition and Market Authority in 2025.

Supplier relationship management [G1-2]

Relationships with suppliers are governed by the *regulations for the establishment and management of a list of economic operators for the supply of goods, the performance of services, construction work, and engineering and architectural services (supplier registry)*, which, among other things, describe the criteria for selecting suppliers, and the *regulations on the procurement of goods and services, tenders regulations, supplier code of conduct* and *procedure for the settlement and accounting of invoices.* As a public company, Veritas is subject to the public procurement code.

With respect to the list of economic operators, since 2023 Veritas has been implementing a process intended to make the procurement process sustainable and responsible by evaluating the performance and sustainability of its purchasing and procurement chain.

The transparent performance of business partners and their suppliers is one of the objectives of Veritas' sustainability agenda, which is built around five pillars:

- reduction of carbon emissions;
- increased purchasing of recyclable materials/products;
- reduction of energy consumption;
- ethics;
- respect for human rights and promotion of gender equality.

For statistical purposes only, and with the intention of monitoring economic operators that have already begun assessing their services in terms of environmental, social, and ethical sustainability, the registration questionnaire includes a section where the economic operator can indicate whether it already holds a sustainability rating, attach a copy of it and specify the name of the provider that issued it and its effective date.

The invoice payment and accounting procedure is part of the regulations governing purchases of goods and services. It is also part of the measures set forth in the special sections of the *Organizational Model pursuant to Legislative Decree 231/2001*.

The implementation of the regulation governing the procurement of goods and services is aimed, where possible, at establishing a sustainable procurement system that complies with current environmental protection regulations (such as the minimum environmental criteria or "CAM" where applicable to the relevant product categories; a preference for waste management operations directed to recovery instead of disposal; reduction of waste (used clothing, etc.), and also with the overall policies adopted by Veritas regarding appreciation of diversity and respect for gender equality, which make it possible to promote, through incentive criteria included in calls for bids, equal opportunities across generations and genders in pay scales and in the appointment of senior management positions.

No distinction is made for small and medium-sized enterprises (SMEs).

Prevention and detection of corruption and bribery [G1-3]

Audits and investigations into reports or allegations of corruption and bribery are conducted by parties that work independently of the units involved in the matters under investigation. The head of corruption prevention and transparency, the corruption prevention compliance function, the Compliance Committee pursuant to Legislative Decree 231/2001, and the independent auditors carry out these activities outside the directly affected business chain, thereby ensuring the independence of their assessments.

The Veritas Group has implemented a structured set of policies, tools and measures to prevent, detect and manage the anti-corruption team. For details, see the section on G1 regarding the corruption prevention policy, corruption prevention management systems and three-year plan for corruption prevention and transparency.

Anti-corruption training

For the nature, scope and depth of anti-corruption and anti-bribery training programs offered or required by the Group, the percentage of functions at-risk covered by the training programs, and the extent to which training is given to members of the administrative, management and supervisory bodies, see the section on ESRS G1, G1-1.

Confirmed incidents of corruption or bribery [G1-4]

During 2024 and 2025, the Group did not detect any confirmed incidents of corruption or bribery. There were no incidents in which the Group's workers were dismissed or disciplined, and no confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery. The number of convictions and the amount of fines for violation of anti-corruption and anti-bribery laws are zero. Veritas has no pending public legal cases regarding corruption or bribery brought against it or its own workers.

For some suppliers, the protective actions contemplated in the *legality protocols* or integrity pacts included in the contracts stipulated were taken.

Payment practices [G1-6]

With respect to the Group's contractual payment terms and payment performance, specifically with regard to small and medium enterprises (SMEs), in 2025 the average number of days to pay an invoice after the deadline was 84 days. The standard contractual payment terms with the suppliers are:

- 90 days from the invoice date (or end of month) in most cases;
- 60 days (or end of month) in some cases;
- 30 days from the invoice date for professionals and independent contractors;
- 30 days from the payment certificate date for advances on public works (Legislative Decree 36/2023, Article 23).

In 2025, 22% of payments met this standard, a rate that rises to 58% for delays of up to 20 days.

The average payment period was calculated on the basis of all the invoices paid by Veritas spa and Eco+Eco srl in 2025, accounting for 91% of the Group's trade payables. The Group does not differentiate its payment terms between SMEs and non-SMEs; thus, all suppliers were included in the calculation.

No legal proceedings are underway regarding suppliers' claims of late payments.


HYSTER

2.2 Consolidated Statement of Financial Position

assets (in euros)	note	Dec. 31, 2025	Dec. 31, 2024
non-current assets			
intangible assets	6	17,285,167	17,046,531
service concession arrangements	6	376,872,569	360,452,307
goodwill	7	23,687,734	23,687,734
property, plant and equipment	8	542,983,200	488,966,691
investment property	9	7,174	9,707
investments in associates and joint ventures	10	1,077,636	5,626,858
other equity investments	11	1,384,062	1,384,062
receivables due from shareholders	16		
receivables due from associates	17	1,124,668	1,424,668
other financial assets	12	9,908,843	7,243,589
receivables due from subsidiaries held for sale	5		
income tax credits	19	1,970,956	2,805,160
deferred tax assets	43	29,442,347	30,323,681
total non-current assets		**1,005,744,356**	**938,970,988**
current assets			
inventories	13	20,204,854	14,033,214
contract work in progress	14	4,519,070	2,862,859
trade receivables	15	116,006,830	140,316,054
receivables due from shareholders	16	38,038,053	30,922,574
receivables due from subsidiaries held for sale	5		
receivables due from associates	17	1,191,337	882,168
other receivables	18	17,605,710	20,257,946
current tax assets	19	6,664,188	1,682,461
cash and cash equivalents	20	135,927,154	103,269,544
derivative financial instruments	30	153,194	734,125
total current assets		**340,310,390**	**314,960,945**
assets held for sale	**5**	**2,543,703**	
total assets		**1,348,598,449**	**1,253,931,933**

liabilities and equity (in euros)	note	Dec. 31, 2025	Dec. 31, 2024
equity			
share capital	21	145,397,150	145,397,150
own shares	21	-640	-640
reserves	21	170,795,212	167,796,333
equity attributable to owners of the Parent		**316,191,722**	**313,192,843**
capital and reserves attributable to non-controlling interests	21	28,157,240	33,827,165
equity attributable to non-controlling interests		**28,157,240**	**33,827,165**
total equity		**344,348,962**	**347,020,008**
non-current liabilities			
non-current financial liabilities	22	273,026,309	216,965,455
non-current financial liabilities from other lenders	23	173,871,323	165,675,590
provisions for risks and charges	24	62,009,641	61,565,699
retirement benefit obligations	25	18,780,635	19,431,536
payables due to subsidiaries held for sale	5		
payables due to shareholders	26	8,530,339	11,477,704
payables due to associates	27		
other non-current liabilities	28	25,988,665	36,950,757
deferred tax liabilities	43	5,087,300	5,519,898
total non-current liabilities		**567,294,212**	**517,586,639**
current liabilities			
trade payables	29	150,363,262	132,014,094
payables due to shareholders	26	132,218,924	106,179,207
payables due to subsidiaries held for sale	5		
payables due to associates	27	3,184,670	8,475,596
current financial liabilities and current portion of long-term loans	22	47,510,832	49,280,708
current financial liabilities from other lenders	23	37,482,289	23,466,203
derivative financial instruments	30	618,253	1,293,248
other current liabilities	31	65,355,055	61,980,297
current tax liabilities	32	221,990	6,635,933
total current liabilities		**436,955,275**	**389,325,286**
liabilities held for sale	**5**		
total liabilities		**1,004,249,487**	**906,911,925**
total liabilities and equity		**1,348,598,449**	**1,253,931,933**

2.3 Consolidated Statement of Profit or Loss and Other Comprehensive Income

Consolidated Statement of Profit or Loss (in euros)	note	2025	2024
continuing operations			
revenues from sales and services	33	538,850,676	526,186,721
other income	34	14,527,565	9,534,956
total revenues		**553,378,241**	**535,721,677**
costs for raw and ancillary materials and consumables used	35	-50,490,527	-49,850,028
costs for services	36	-180,477,605	-172,566,392
costs of use of third-party assets	37	-5,617,279	-5,555,382
personnel costs	38	-196,847,084	-188,818,009
other operating expenses	39	-16,016,929	-19,270,663
amortization, depreciation and impairment losses	40	-66,081,185	-62,087,571
operating profit/(loss)		**37,847,632**	**37,573,632**
share of results of equity-accounted investees	41		
finance costs	42	-23,188,139	-25,706,707
finance income	42	2,425,227	6,235,287
profit before tax		**17,084,720**	**18,102,212**
income tax for the year	43	-6,394,604	-8,866,733
profit for the year from continuing operations		**10,690,116**	**9,235,479**
discontinued operations			
profit for the year from discontinued operations			
consolidated profit for the year		**10,690,116**	**9,235,479**
profit for the year attributable to non-controlling interests		**-1,171,362**	**-2,771,886**
profit for the year attributable to owners of the Parent		**11,861,478**	**12,007,365**

Oher Comprehensive Income	note	2025	2024
consolidated profit for the year		**10,690,116**	**9,235,479**
items that may be reclassified subsequently to profit or loss			
gain/(loss) on cash flow hedges	30	114,300	-1,466,898
income tax relating to items that may be reclassified subsequently to profit or loss		-27,432	352,056
items that will not be reclassified subsequently to profit or loss			
(loss)/gain on remeasurement of defined benefit plans	25	-10,561	-276,873
income tax relating to items that will not be reclassified subsequently to profit or loss		2,535	66,450
other comprehensive income for the year net of income tax		**10,768,958**	**7,910,214**
attributable to:			
owners of the Parent		11,978,742	10,886,315
non-controlling interests		-1,209,784	-2,976,101
other comprehensive income for the year net of income tax		**10,768,958**	**7,910,214**

2.4 Statement of Changes in Equity

(in euros)	share capital	legal reserve	own shares	other reserves	measurement of associates with equity method	profit/(loss) attr. to owners of the parent	equity attr. to owners of the parent	capital and reserves attr. to non-controlling interests	profit/(loss) attr. to non-controlling interests	equity attr. to non-controlling interests	total equity
balance at January 1, 2024	**145,397,150**	**5,281,144**	**-640**	**136,467,431**	**154,000**	**15,475,953**	**302,775,038**	**31,432,120**	**355,658**	**31,787,778**	**334,562,816**
capital increase											
allocation of previous year's profit		411,547		15,064,406		-15,475,953		355,658	-355,658		
own shares held											
business combinations and change in scope of consolidation				-639,714			-639,714	4,316,122		4,316,122	3,676,408
other changes				171,206			171,206	699,362		699,362	870,568
dividends											
other comprehensive income				-1,121,050			-1,121,050	-204,215		-204,215	-1,325,265
profit for the year ended December 31, 2024						12,007,365	12,007,365		-2,771,886	-2,771,886	9,235,479
balance at December 31, 2024	**145,397,150**	**5,692,691**	**-640**	**149,942,277**	**154,000**	**12,007,365**	**313,192,843**	**36,599,051**	**-2,771,886**	**33,827,165**	**347,020,008**
balance at January 1, 2025	**145,397,150**	**5,692,691**	**-640**	**149,942,277**	**154,000**	**12,007,365**	**313,192,843**	**36,599,051**	**-2,771,886**	**33,827,165**	**347,020,008**
capital increase											
allocation of previous year's profit		622,631		11,384,734		-12,007,365		-2,771,886	2,771,886		
own shares held											
business combinations and change in scope of consolidation				-8,953,608			-8,953,608	-4,766,914		-4,766,914	-13,720,522
other changes				-26,255			-26,255	306,773		306,773	280,518
dividends											
other comprehensive income				117,264			117,264	-38,422		-38,422	78,842
profit for the year ended December 31, 2025						11,861,478	11,861,478		-1,171,362	-1,171,362	10,690,116
balance at December 31, 2025	**145,397,150**	**6,315,322**	**-640**	**152,464,412**	**154,000**	**11,861,478**	**316,191,722**	**29,328,602**	**-1,171,362**	**28,157,240**	**344,348,962**

2.5 Statement of Cash Flows

statement of cash flows (in euros)	note	2025	2024
cash generated from operations			
profit for the year		10,690,116	9,235,479
cash from operating activities			
(interest income)/interest expense for the year	42	19,299,827	17,559,167
income tax for the year	43	6,394,604	8,866,733
adjustments to reconcile net profit to cash and cash equivalents generated by/(used in) operations			
amortization, depreciation and impairment losses	40	66,081,185	62,087,571
finance costs/(income) from discounting	72	1,463,085	1,912,253
impairment losses on receivables	39	4,267,069	7,070,479
impairment losses on inventories	13	0	
fair value change of derivative financial instruments		0	
share of results of equity-accounted investees	41	0	
(gains)/losses			
on disposals of property, plant and equipment and investment property		122,274	-159,143
on disposals of equity investments	42	0	
allocation/(use) of			
retirement benefit obligations		-1,016,237	-1,181,712
provisions for risks and charges		1,590,712	4,693,149
other adjustments for non-monetary items		-2,758,748	612,058
operating cash flows before movements in working capital		**106,133,887**	**110,696,034**
movements in working capital			
inventories		-6,171,640	-2,452,668
contract work in progress		-1,656,211	1,230,247
trade receivables		12,976,705	-16,616,237
other current receivables		2,729,996	-3,113,981
trade payables		38,640,541	12,300,472
other current payables		-48,261	9,977,025
total movements in current assets and liabilities		**46,471,130**	**1,324,858**
other adjustments			
(interest paid)		(22,312,360)	-21,980,635
interest received		1,991,996	6,467,983
(income tax paid)		(17,045,934)	-1,488,062
dividends received		0	
movements in other non-current payables		261,280	4,052,058
net cash generated by/(used in) operating activities		**115,499,999**	**99,072,236**

statement of cash flows (in euros)	note	2025	2024
cash from investing activities			
proceeds on disposals of intangible assets	6	8,611	
proceeds on disposals of property, plant and equipment and service concession arrangements	6, 8	935,052	923,245
net assets/liabilities held for sale	5	-73,334	599,293
dividends from associates and joint ventures		0	
investments in business combinations net of cash acquired		-833,460	-3,202,335
purchases of intangible assets	6	-6,131,193	-4,857,976
investments in service concession arrangements	6	-51,865,935	-57,717,296
purchases of property, plant and equipment and investment property	8, 9	-87,428,666	-84,772,932
acquisition of investments in associates and joint ventures		0	
equipment grants received		15,102,249	33,303,299
sale of investments in associates and joint ventures		749,222	20,800
disposals of/(investments in) other equity investments		0	
disposals of/(investments in) other financial assets and receivables due from associates		594,746	3,014,300
net cash generated by/(used in) investing activities		**(128,942,708)**	**-112,689,602**
cash from financing activities			
own resources			
sale/(acquisition) of own shares		0	
other changes in equity		(11,690,677)	570,000
dividends paid		0	
external sources			
loans taken out			
long-term		119,000,000	46,000,000
long-term from other lenders		5,000,000	
proceeds from/(payments of) derivative instruments		0	
bond issue		0	
increase/(decrease) in payables due to associates		0	
increase/(decrease) in short-term bank borrowings		(722,725)	728,302
acquisition of non-controlling interests			
(repayment) of loans			
long-term		-63,120,795	-57,675,074
long-term from other lenders		1,232,158	-1,756,637
increase/(decrease) in financial payables due to shareholders		-977,641	-946,243
(redemption) of bonds		-2,620,000	-1,610,000
sale of non-controlling interests			
net cash generated by/(used in) financing activities		**46,100,320**	**-14,689,652**
net increase/(decrease) in cash and cash equivalents		**32,657,611**	**-28,307,018**
cash and cash equivalents at beginning of year		**103,269,544**	**131,576,562**
cash and cash equivalents at end of year	**20**	**135,927,155**	**103,269,544**

2.6 Notes to the Consolidated Financial Statements

1. Company information

Group data	
Name of reporting entity	Veritas spa
Registered office	Venice
Legal form	Joint-stock company
Country of registration	Italy
Address of registered office	Santa Croce 489, Venice
Main place of business	City of Venice and Province of Treviso
Nature of the business and principal operations	The principal operations of the Veritas Group are: – integrated waste management service; – integrated water service; – other services (various local public services for the Municipality of Venice, heat and public lighting service, environmental reclamation, operation of two crematoriums, management of hazardous and non-hazardous waste, environmental remediation).
Name of parent company	Veritas spa

Veritas spa, the parent company of the Veritas Group, is a joint-stock company incorporated and domiciled in Italy.

The principal operations of the Veritas Group are:

- the integrated waste management service carried out in the 45 shareholder municipalities of the Veritas Group. The service includes street sweeping, waste collection, and waste disposal through treatment plants for organic waste, dry waste, and recyclable materials. The number of inhabitants served is approximately 870,000, plus some 40 million tourists who visit Venice, the surrounding areas, and the Jesolo, Caorle, Bibione, Eraclea and Chioggia coastlines each year, for a total population equivalent of approximately 970,000;
- the integrated water service carried out in the 36 shareholder municipalities of the parent company. The Group provides the integrated water service and purifies wastewater in the area of its shareholder municipalities, which have a resident population of around 790,000.

  In 2025 the Group invoiced approximately 70.8 million cubic meters of water.

  The aqueduct network is 6,100 km long. In addition, a 3,000 km sewage network is used for the purification cycle, conveying approximately 96 million cubic meters of wastewater to 11 large purification plants and 25 small-to-medium ones. In addition, through its engineering department, the organization invests in the water and sewage network and purification plants, in terms of necessary upgrades and new pipelines.

  Veritas also manages the 15 km of the Porto Marghera industrial aqueduct, where some 8.9 million cubic meters of water are supplied;
- operation for the Municipality of Venice of cemetery services, the fish market, public restrooms and public works; Veritas also lays the footbridges that allow access to the historic center of Venice during high water; Veritas is also involved, for operational coordination purposes, in the activities of the central metropolitan call center following the implementation of the new Citizen Relationship Management (Czrm) system developed by the Municipality of Venice and its subsidiaries;
- the management for additional municipalities of cemetery services, as well as heating and public lighting;

- environmental remediation (characterization plans, safety measures, monitoring plans) on behalf of both shareholder municipalities and other public entities;
- the operation of crematoriums in Marghera, Spinea, and Conegliano;
- the handling of hazardous and non-hazardous waste, and environmental remediation with high-tech mobile plants through the subsidiary Depuracque servizi Srl;
- the development of the Rtn waste treatment plant in Fusina by the subsidiary Rive srl;
- the development of the general construction sector with environmentally friendly technology for trenchless pipe lining conducted by the subsidiary Euroscavi srl;
- post-treatment of municipal wastewater (Type A wastewater), treatment of industrial wastewater and stormwater runoff from the Porto Marghera industrial area (Type B wastewater) and treatment of drained groundwater by the subsidiary Sifa scpa.

The consolidated financial statements of the Veritas Group were approved by a resolution of the Board of Directors on May 27, 2026.

2.1 Basis of preparation

The consolidated financial statements for the year ended December 31, 2025 were prepared by the parent company Veritas spa in accordance with the International Financial Reporting Standards (IFRS), adopted by the European Commission following the procedure set out in Article 6 of Regulation 1606/2002 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards, in force at the date of preparation of this document. The term "IFRS" encompasses all of the International Accounting Standards (IAS) and all interpretations published by the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC).

The consolidated financial statements provide comparative figures for the previous year and are made up of:

- a statement of financial position broken down into current and non-current assets and liabilities based on whether they will be realized or settled as part of the Group's normal operating cycle within twelve months of the end of the year;
- a statement of comprehensive income that classifies income and expenses based on their nature, a method considered most representative of the Group's business segment;
- a statement of cash flows prepared using the indirect method;
- a statement of changes in equity;
- notes containing the information required by applicable regulations and international accounting standards, appropriately presented with respect to the format of the financial statements.

The consolidated financial statements are expressed in euros, the Group’s functional currency as per Legislative Decree 38, Article 5, paragraph 2 of February 28, 2005 and IAS 1. All the amounts are rounded to the nearest thousand euros unless specified otherwise.

The consolidated financial statements have been audited, as required by Legislative Decree 39, Article 14 of January 27, 2010, by Deloitte & Touche spa.

The general principle adopted in the preparation of these consolidated financial statements is the cost principle, except as regard the financial assets and liabilities, which are measured at amortized cost in accordance with IFRS 9.

The financial statements were prepared on a going concern basis. The Group conducted simulations to assess the potential future impacts on its business and financial plans, which confirm the going concern assumption.

Accounting standards, amendments and interpretations effective from January 1, 2025

The accounting standards used to prepare the consolidated financial statements at December 31, 2025 are the same as those used for the prior-year figures presented for the sake of comparison.

In 2025, the following amendments to the standards became effective for annual reporting periods beginning on or after January 1, 2025. The Group has not adopted early any other standards, interpretations or amendments published but not yet in force. The nature and impact of each change are described below:

- *Amendments to IAS 21 The effects of changes in foreign exchange rates: lack of exchangeability*: on August 15, 2023 the IASB published an amendment to IAS 21. The document requires an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide in the notes to the financial statements.

  The adoption of the standard has had no impact on the Group's consolidated financial statements.

International accounting standards and/or interpretations not yet effective and not early adopted by the Group

The following standards and interpretations had been published as of the date of the financial statements but had not come into force yet. The Group intends to adopt them, if applicable, when they become effective.

- On May 30, 2024, the Iasb published *Amendments to the Classification and Measurement of Financial Instruments-Amendments to Ifrs 9 and Ifrs 7*. The document clarifies a number of problematic issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (such as green bonds). The changes aim to:

  - clarify the classification of financial assets that have variable returns and are linked to environmental, social and corporate governance (ESG) objectives, and the criteria used for the Solely Payments of Principal and Interest (SPPI) test;
  - determine that the date of settlement of liabilities via electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy that allows it to derecognize a financial liability before it delivers cash on the settlement date when specified criteria are met.

  With these amendments, the IASB has also introduced additional disclosure requirements for investments in equity instruments designated at fair value through other comprehensive income (Fvoci).

  The amendments will apply to financial statements for annual periods beginning on or after January 1, 2026, but early adoption is permitted.

  The directors are currently assessing the potential effects of these amendments on the Group's consolidated financial statements.

- On December 18, 2024, the IASB published an amendment called *Contracts Referencing Nature-dependent Electricity - Amendment to Ifrs 9 and Ifrs 7*. The document aims to help entities better report the financial effects of contracts for the purchase of electricity from renewable sources (often structured as Power Purchase Agreements). The amount of electricity generated and purchased under these contracts can vary based on uncontrollable factors such as weather conditions. The Iasb has made targeted amendments to Ifrs 9 and Ifrs 7.

They are effective from January 1, 2026, but early adoption is permitted.

The directors are currently assessing the potential effects of these amendments on the Group's consolidated financial statements.

- On July 18, 2024, the Iasb published *Annual Improvements Volume 11*. The document includes clarifications, simplifications, corrections and changes to improve the consistency of several IFRS. The amended standards are: *Ifrs 1 First-time Adoption of International Financial Reporting Standards*, *Ifrs 7 Financial Instruments: Disclosures* and the related guidelines on the implementation of Ifrs 7, *Ifrs 9 Financial Instruments, Ifrs 10 Consolidated Financial Statements* and *Ias 7 Statement of Cash Flows.*

  The amendments are effective from January 1, 2026.

  The directors are currently assessing the potential effects of these amendments on the Group's consolidated financial statements.

International accounting standards and interpretations not yet endorsed by the European Union

At the reporting date, the EU authorities had not yet finished the endorsement process necessary for the adoption of the following amendments and standards.

- On April 9, 2024, the Iasb published a new standard, Ifrs 18 *Presentation and Disclosure in Financial Statements* which will replace Ias 1 *Presentation of Financial Statements*. The objective of the new standard is to improve how information is communicated in an entity's financial statements, particularly in the statement of profit or loss. The new standard requires classifying income and expenses into three new categories (operating, investing, financing) in addition to the income taxes and discontinued operations categories already in the statement of profit or loss; and presenting two new subtotals: the operating profit or loss, and the profit or loss before financing and income taxes (EBIT).

  The new standard also:

  - requires more information on management-defined performance measures;
  - expands the requirements for information aggregation and disaggregation;
  - introduces some changes to the layout of the statement of cash flows, including using operating profit or loss as a starting point to present the statement of cash flows with the indirect method, and eliminating some classification options for certain existing items (such as interest paid, interest received, dividends paid and dividends received).

  The new standard will become effective for annual reporting periods beginning on or after January 1, 2027, but early adoption is permitted. The directors are currently assessing the potential effects of this new standard on the Group's consolidated financial statements.

- On November 13, 2025 the IASB published *"Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21* to clarify the currency translation procedures for entities that have a presentation currency of a hyperinflationary economy. The entity applies the amendments if:

  - its functional currency is not of a hyperinflationary economy and it is translating its results and financial position into the presentation currency of a hyperinflationary economy; or,
  - it is translating the results and financial position of a foreign operation whose functional currency is not of a hyperinflationary economy into the currency of a hyperinflationary

economy.

The amendment will apply to financial statements for annual periods beginning on or after January 1, 2027. The Directors do not expect an impact on the Group's consolidated financial statements

- On January 30, 2014 the IASB published the standard *IFRS 14 Regulatory Deferral Accounts* allowing first-time adopters of IFRS to continue to recognize the balances of rate-regulated activities in accordance with their previous GAAP.

  This standard is not applicable to the Group because it is not a first-time adopter.

Statement of compliance with IFRS

The consolidated financial statements of Veritas spa were prepared in accordance with the International Financial Reporting Standards (IFRS).

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Veritas spa and its subsidiaries as at December 31 of each year.

Control is achieved when the Group is exposed to or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. has valid rights giving it the current ability to direct the relevant activities of the investee);
- the exposure or rights to variable returns arising from its involvement with the investee;
- the ability to use its power over the investee to affect its returns.

It is generally assumed that a majority of voting rights conveys control. To support this assumption, and when the Group has less than a majority of the voting (or similar) rights, the Group considers all relevant facts and circumstances to determine whether it controls the investee, including:

- contractual arrangements with other holders of voting rights;
- rights arising from other contractual arrangements;
- the Group's voting rights and potential voting rights.

The Group reconsiders whether or not it controls an investee if facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control.

Since 2017, the parent company has prepared separate financial statements in conformity with International Accounting Standards/International Financial Reporting Standards (IAS/IFRS), pursuant to Legislative Decree 38/2005 concerning public interest entities (Legislative Decree 39/2010, Article 16, par. 1, letter a). The transition date to IAS/IFRS was January 1, 2016. Since the Group had opted to prepare its consolidated financial statements in accordance with IAS/IFRS at December 31, 2007, Veritas recognized the assets and liabilities in the opening statement of financial position of the separate IFRS financial statements and in the subsequent separate financial statements at the same carrying amounts as in the accounts prepared for the Group's consolidated financial statements (IFRS 1 Revised, paragraph D17).

Subsidiaries are fully consolidated from the date of acquisition, i.e. the date on which the Group obtains control, and cease to be consolidated when the control is transferred outside the Group.

The financial statements of the subsidiaries prepared in accordance with Italian GAAP (OIC) are restated for each reporting date in conformity with IAS/IFRS. When necessary, appropriate adjustments are made to the financial statements of subsidiaries to ensure compliance with the Group's accounting policies.

All intraGroup balances and transactions, including any unrealized gains and losses arising from transactions between Group companies, are eliminated in full.

Non-controlling interests represent the portion of profits or losses and net assets not owned by the Group. They are shown separately in the statement of profit or loss and in the statement of financial position under the items of equity, separately from the equity attributable to the Group.

Losses are attributed to non-controlling shareholders even if this means that non-controlling interests have a negative balance.

Changes in the parent company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In acquisitions of non-controlling interests, the difference between the price paid and the carrying amount of the share of net assets acquired is recognized directly in equity.

If the parent company loses control of a subsidiary, it:

- eliminates the assets (including any goodwill) and liabilities of the subsidiary;
- eliminates the carrying amounts of any non-controlling interest in the former subsidiary;
- eliminates the accumulated foreign exchange differences recognized in equity;
- recognizes the fair value of the consideration received;
- recognizes the fair value of any retained interest in the former subsidiary;
- recognizes any gain or loss in the statement of profit and loss;
- reclassifies the parent company's share of items previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

2.2 Discretionary assessments and significant accounting estimates

Preparing the Group's financial statements requires the directors to make discretionary assessments, estimates and assumptions that can affect the amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. The uncertainty involved in those assumptions and estimates could lead to results that will require a significant adjustment to the carrying amount of such assets and/or liabilities in the future.

Discretionary assessments

In applying the Group's accounting policies, the directors have made decisions based on the following discretionary assessments (excluding those involving estimates) with a significant effect on the values stated in the financial statements.

Duration of assignments

The Report on Operations, in section 2.1.1. on business events and developments, states the duration of assignments.

Estimates and assumptions

The key assumptions about the future and other important sources of measurement uncertainty at the reporting date, which could lead to making significant adjustments to the carrying amounts of assets and liabilities within the next year, are presented below.

The Group based its estimates and assumptions on parameters that were available at the time the consolidated financial statements were prepared. However, the current circumstances and assumptions about future events could be modified due to changes in the market or events beyond the Group's control. If such changes occur, they are reflected in the assumptions when they occur.

The Group has conducted simulations to assess potential future impacts on its business plans, which confirm the going-concern status.

Impairment of non-financial assets

The Group tests all non-financial assets for impairment at each reporting date. Goodwill is tested annually. The other non-financial assets are tested annually when there are indications that the carrying amount may not be recovered.

When value in use is calculated, the directors estimate the cash flows expected from the cash-generating unit asset or units and choose an appropriate discount rate to calculate the present value of those cash flows.

The Group has verified whether the effects of the social and economic environment could lead to an impairment loss.

Note 7 contains more details and a sensitivity analysis of the key assumptions.

Revenue recognition

Revenues from contracts with customers are recognized to present faithfully the transfer of the goods and services promised (completion of the performance obligation) in an amount that reflects the expected consideration in exchange for the goods and services provided. For accounting purposes, the Group applies the five-step model described in IFRS 15.

Revenue recognition assumes using estimates based on the best available information, which may be subject to change due to new information that was unavailable at the time of the estimate.

For the integrated water service, the parent company calculates revenues for invoices to be issued at the December 31 rate of each year, estimating the water consumption by verifying, specifically for each user, the past consumption.

Provision for expected losses on trade receivables and contract assets

The Group recognized a provision for expected credit losses ("ECL") for all financial assets, as required by IFRS 9. The Group uses a matrix to calculate the ECL for trade receivables. The provision rates are based on the days past due for each customer category grouped into the various brackets with similar historic loss trends.

The matrix is initially based on the Group's observed past default rates. The Group then calibrates the matrix to refine the historical data on credit losses with forward-looking data. The historical default rates are updated at each reporting date, and the changes in estimates are analyzed using forecast data.

The assessment of the correlation between past default rates, the forecast economic conditions and the ECL is a meaningful estimate. The ECL amount is sensitive to changes in circumstances and expected economic conditions. The Group's past credit loss experience and the forecast of future economic conditions might not be representative of the actual customer insolvency in the future.

In order to take into account the effects on default of the current inflation at a macroeconomic level and the possibility of a recession, the Group updates the provision rates by considering the historical loss trends and possible increases in insolvencies based on specific medium-term economic indicators. Note 15 provides additional details.

Provisions for post-closure restoration of landfill areas

The Group recognized provisions for the costs associated with the restoration of landfill areas, which will be incurred when the post-closure care of the landfill use ends. In determining the amount of the provisions, estimates and assumptions had to be made concerning the discount rates and the expected costs for the restoration and rehabilitation of the sites and the acceptable volumes, partly using appraisals drawn up by external consultants. Further details are provided in Note 24.

Provisions for risks and charges

These provisions were allocated by adopting the same procedures as in previous years, referring to updated communications from the lawyers and consultants working on the disputes, and on the basis of the procedural developments of the disputes.

The estimates took into account assumptions based on market and regulatory parameters and information available at the time of preparation of the financial statements. Further details are provided in Note 24.

2.3 Scope of consolidation

The consolidated financial statements incorporate the financial statements of the parent company, Veritas spa, and of the companies over which the parent company has the right to directly or indirectly (through its subsidiaries) exercise control, directing their financial and business decisions and obtaining the related benefits.

Listed below are the companies that, pursuant to IFRS 10, were consolidated on a line-by-line basis at December 31, 2025:

consolidated companies	registered office	share capital	Dec. 31, 2025 Group's share	Dec. 31, 2024
Veritas spa (parent company)	Venice	145,397,150		
Eco+Eco srl	Venice	110,353,576	80.84%	72.95%
Asvo spa	Portogruaro (Venice)	18,969,650	100.00%	55.75%
Consorzio gestione servizi comuni Fusina	Venice	50,000	88.23%	88.23%
Metalrecycling Venice srl	Venice	5,868,934	80.84%	72.95%
Depuracque servizi srl	Salzano (Venice)	223,080	100.00%	100.00%
Lecher ricerche e analisi srl	Salzano (Venice)	46,800	100.00%	100.00%
Rive srl	Venice	4,000,000	70.00%	70.00%
Ecodistretto trasporti scarl	Venice	20,000	64.67%	58.36%
Veritas Conegliano srl	Venice	100,000	72.50%	72.50%
Euroscavi srl	Badia Polesine (Rome)	10,329	100.00%	100.00%
Sifa Scpa	Venice	30,000,000	84.33%	84.33%
Ri.cart Venezia srl	Istrana (Treviso)	200,000	80.84%	32.83%
Ecodistretto RE srl	Venice	24,478,000	80.84%	72.95%

Note 3 to the Group's consolidated financial statements contains further details on its corporate transactions.

The following associates are not accounted for with the full consolidation method:

associates	registered office	share capital	Dec. 31, 2025 Group's share	Dec. 31, 2024
Ecolegno CM Venezia srl	Venice	50,000	32.00%	29.00%
Bioenergie Italiane srl	Venice	1,000,000	24.25%	21.89%
9-Tech srl	Eraclea (Venice)	256,400	22.00%	22.00%
Vier scarl	Venice	100,000	49.00%	49.00%
reclassified companies				
Ri.cart srl	Istrana (Treviso)	200,000	80.84%	32.83%
OMD srl	Nervesa della Battaglia (Treviso)	160,000	0.00%	18.00%

2.4 Accounting policies

The financial statement items were measured in accordance with the general criteria of prudence, the accrual basis of accounting, and the going concern assumption. For accounting purposes, preference is given to the economic substance of transactions rather than their legal form.

In preparing the consolidated financial statements, the same principles and criteria applied in preparing the comparative data were followed, including the new accounting standards mentioned previously.

The income and expenses include end-of-period items reflected in the corresponding items of the statement of financial position. In this respect, gains are included only if they are realized by the end of the year, while risks and losses are considered even if they are known afterward.

The criteria and principles adopted are set out below.

Intangible assets

The intangible assets recognized are identifiable and controllable assets whose cost can be measured reliably on the assumption that they will generate future economic benefits.

Intangible assets acquired separately are initially capitalized at cost, while those acquired through business combinations are recorded at their fair value at the acquisition date. Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, except for development costs, are not capitalized and are recognized in profit or loss in the year they are incurred.

The useful life of intangible assets is assessed as finite or indefinite.

Intangible assets with finite lives are amortized over their useful lives and tested for impairment whenever there are indications of such losses. The amortization period and method applied to them are reviewed at the end of each reporting period or more frequently if necessary. Changes in the expected useful life or in the manner that the Group obtains the future economic benefits associated with the intangible asset are recognized by adjusting the amortization period or method as appropriate and are treated as changes in accounting estimates.

Amortization commences when the asset is ready for use or, in any case, begins to produce economic benefits for the enterprise.

The amortization of intangible assets with finite lives is recognized in the statement of profit or loss in the cost category consistent with the function of the intangible asset.

Intangible assets with an indefinite useful life are tested annually for impairment individually or by cash-generating unit. No amortization is recognized for such assets. The useful life of an intangible asset with an indefinite life is reviewed annually to ascertain whether the conditions underlying this classification continue to apply. If they do not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use. Gains or losses from the disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset, and are recognized in profit or loss at the time of disposal.

The policies applied by the Group for intangible assets are summarized below:

intangible assets	public service concessions	software licenses
useful life	finite	finite
amortization method used	amortized on a straight-line basis over the duration of the relevant concession	amortized on a straight-line basis over a period of three or five years
internally produced or acquired	acquired	acquired

Service concession arrangements

IFRIC 12 applies to public-to-private service concession arrangements if the following conditions are met:

- the grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price;
- the grantor controls — through ownership, beneficial entitlement or otherwise — any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the above conditions are met, the operator shall not recognize the infrastructure as property, plant and equipment of the operator because the contractual service concession arrangement transfers the right to use the infrastructure, but not after the end of the term of the arrangement. The infrastructure must, therefore, be recognized as a financial asset or intangible asset depending on whether the operator has an unconditional right to receive contractually guaranteed cash flows, regardless of the actual usage of the infrastructure. In essence, the financial asset model should be applied solely in cases where the operator is not exposed to demand risk, and thus whenever the cash flows provided for in the concession agreement enable recovery of the receivable/investment regardless of the actual usage of the infrastructure by customers.

After analyzing the concession arrangements in place with the grantors, the Group decided to apply the interpretation to all the integrated water cycle activities managed by it and to account for them as intangible assets because it has the right to charge the users of the public service (pricing).

The amount of the service concession arrangements is adjusted by the amount of government grants received.

The economic-technical amortization rates applied, which represent the expectation of obtaining future economic benefits from the infrastructure, as per the regulatory framework, remain the same as those already used by the Group.

Property, plant and equipment

Property, plant and equipment are recognized at their historical cost, including all costs necessary to bring the asset to working condition for its intended use, plus the present value of the estimated cost of dismantling and removing the asset when relevant and present obligations exist. The cost of plant and machinery includes costs for replacing such assets when they are incurred and if they comply with the recognition criteria. If significant components of such assets have different useful lives, the components are accounted for separately.

Likewise, the cost of any major overhauls is included in the carrying amount of the plant or machinery as a replacement if the recognition criteria are satisfied. Other maintenance and repair costs are recognized in profit or loss as they are incurred.

Finance costs incurred in connection with investments in assets that necessarily take a substantial period of time to get ready for their intended use or sale (qualifying assets under IAS 23 - *Borrowing costs*) are capitalized in the cost of the asset and amortized over the useful life of the category of assets to which they refer. All other finance costs are recognized in profit or loss when they are incurred.

Finance costs consist of interest and other costs that the entity incurs in connection with obtaining financing.

Land, whether free of construction or occupied by buildings, is normally not depreciated since it has an indefinite useful life.

Land on which a landfill is located is depreciated over the useful life of the landfill.

Property, plant and equipment are stated net of the accumulated depreciation and impairment losses, as described below.

Depreciation is calculated on a straight-line basis considering the estimated useful life of the asset for the entity and is reviewed annually, as are the residual values and the depreciation method; any changes needed are made on a prospective basis.

The depreciation rates began to be revised at the Group in 2007, based on a specific appraisal drawn up by an independent expert, which revised the rates according to the estimated remaining useful lives of the assets.

The main depreciation rates used by the Group in 2025 are listed hereunder:

property, plant and equipment	category	depreciation rates
Land	land and buildings	indefinite life
industrial and civil buildings	land and buildings/leased assets	2% – 2.5% – 3% – 4%; from 5.37% to 10.76%; 32.33%.
lightweight structures	land and buildings	4% – 6.5% – 10%
fixed hydraulic works	land and buildings	2.5%
tanks	plant and machinery	3% – 4% – 7.5% – 12.5%
water and sewage pipes (including flood drains and first flush diverters)	plant and machinery	2.5%
water and sewage pumping equipment	plant and machinery	3% – 5% – 6%
drinking water systems	plant and machinery	3% – 4% – 5%
water and sewage connections	plant and machinery	2.5% – 4%
purification plants	plant and machinery	3% – 5% – 7% – 15%
photovoltaic systems	plant and machinery	4% – 5% – 7%
machinery	plant and machinery	5% – 6.5% – 9% – 10% – 15%
waste disposal facilities (excluding landfills)	plant and machinery	3% – 5% – 6% – 7.5% – 8.5% – 15%
waste disposal facilities - landfills	plant and machinery	based on the % of the landfill capacity used
waste pre-treatment plants	plant and machinery	based on the shorter of useful life and concession or contract duration
Css1 line, Css2 line and incinerator	plant and machinery	based on the useful life (remaining useful life until 2029)
other waste management facilities	plant and machinery	7%
generic and specialized equipment	plant and machinery	5% – 7% – 10%; from 6.67% to 33.3%.
fixed hydraulic works	plant and machinery	2.5%
remote control systems	plant and machinery	7% – 16.5%
equipment and laboratories	commercial and industrial equipment	7.5% – 10% – 15%
light containers and other containers	commercial and industrial equipment	6.25% – 9% – 12.5% – 15%
utility meters	commercial and industrial equipment	7%
vessels	other assets	3% – 5.5% – 10%
vessel equipment	other assets	7% – 9%
cars	other assets	15% – 16.5% – 20% – 25% – 50%
industrial vehicles	other assets/leased assets	8% – 10% – 16.5% – 20%
machining and internal handling equipment	other assets	6.5% – 7% – 8% – 9% – 17.5% – 20%
motorcycles	other assets	10% – 20% – 25%
furniture and furnishings	other assets	7% – 8% – 8.5% – 12% – 15%
computer products and office machines	other assets	16.5% – 20%
communication devices	other assets	9%
mobile phones	other assets	20%
leasehold improvements	leasehold improvements	based on the shorter of useful life and lease duration
right-of-use assets	right-of-use assets	based on the duration of the underlying lease

The depreciation of assets purchased during the year commences when the asset is ready for use. The full depreciation rate was applied to capitalized improvements on existing facilities.

A tangible asset is derecognized when it is sold or when there is no future economic benefit expected from its use or disposal. Any gains or losses (calculated as the difference between the net proceeds from the disposal and the carrying amount) are included in profit or loss in the year of derecognition.

Leases

When stipulating a contract, the Group assesses whether it is, or contains, a lease. A lease is contract that conveys the right to control an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group adopts a single recognition and measurement model for all leases, except for short-term leases and leases of low-value assets. The Group recognizes liabilities for the lease payments and right-of-use assets representing the right to use the underlying asset of the lease.

- **Right-of-use assets:** The Group recognizes right-of-use assets on the lease commencement date (the date on which the underlying asset is available for use). Right-of-use assets are measured at cost, net of accumulated depreciation and impairment losses, and are adjusted for any remeasurement of the lease liabilities. The cost of right-of-use assets comprises the amount of the lease liabilities recognized, the initial direct costs incurred and the lease payments made on or before the commencement date net of any incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date to the end of the useful life of the related asset or to the expiration of the lease, whichever is earlier, at the previously used depreciation rates.

  If the title to the asset transfers at the end of the lease or if the cost of the asset reflects the exercise of the purchase option by the lessee, the lessee depreciates the asset from the commencement date to the end of the underlying asset's useful life.

- **Lease liabilities**: At the lease commencement date, the Group recognizes lease liabilities at the present value of the payments due but not paid yet at that date. The payments due include fixed lease payments (including in-substance fixed lease payments) net of any lease incentives to be received, variable payments depending on an index or rate, and amounts expected to be paid as the guaranteed residual value. The lease payments also include the exercise price of a purchase option if the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

  Variable lease payments that do not depend on an index or rate are recognized as costs in the period in which the event or condition generating the payment occurs.

  To calculate the current payments due, the Group uses the incremental borrowing rate at the commencement date, if the implicit interest rate cannot be easily determined. After the commencement date, the lease liability increases to reflect the interest on the lease liability and decreases to reflect the payments made. In addition, the carrying amount of lease liabilities is restated in the event of any change or revision to the contractual terms for the change in payments; it is also restated to reflect changes in the measurement of the option to purchase the underlying asset or changes in future payments resulting from a modification in the index or rate used to determine those payments.

  The Group's lease liabilities are included in the "financial liabilities from other lenders" (see Note 23) and "payables due to shareholders" (see Note 26).

- **Short-term leases and leases of low-value assets**: The Group apples the exemption for recognizing short-term leases of property, plant and equipment (leases that expire within 12 months from the first application or that have a duration of 12 months or less from the commencement date and do not contain a purchase option). The payments on short-term leases and low-value leases are recognized as expenses on a straight-line basis over the term of the lease.

The Group as lessor

Leases that transfer to the Group substantially all the risks and rewards of ownership of an asset are classified as operating leases. Income from operating leases is recognized over the term of the lease and is included as revenue in the statement of profit or loss due to its operational nature. The initial transaction costs are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the lease income. Unanticipated rent is recognized as revenue in the period it accrues.

Investment property

Real estate investments are investment property (land or buildings or parts of buildings) that is held (by the owner or by the lessee as a right-of-use asset) to earn rental income and/or for capital appreciation.

Investment property is recognized initially at its acquisition cost, including transaction costs. The carrying amount includes the cost of replacing part of investment property when that cost is incurred, provided the recognition criteria are met, and excludes routine maintenance costs. Subsequent to initial recognition, investment property, except for land, is systematically depreciated each year on a straight-line basis at rates deemed representative of its remaining useful life.

Investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising from the withdrawal from use or disposal of investment property is recognized in profit or loss in the year in which the withdrawal or disposal occurs.

Reclassification from or to investment property occurs when, and only when, there is a change in use. If directly used property becomes investment property, the Group recognizes the asset in accordance with the policies stated for property, plant and equipment until the time of change in use.

No asset held under an operating lease was classified as investment property.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method.

The cost of an acquisition is calculated as the sum of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures any non-controlling interest in the acquiree either at fair value or in proportion to the non-controlling interest's share of the acquiree's identifiable net assets. Acquisition costs are expensed and classified as administrative expenses.

The Group determines that it has acquired a business activity when the integrated set of activities and assets includes at least one production factor and one substantial process which, together, significantly contribute to the ability to generate an output. The acquired process is considered substantial if it is crucial for the ability to continue producing outputs and the acquired production factors include an organized workforce that has the necessary skills, knowledge or experience to carry out that process or to significantly contribute to generating an output and is considered unique or scarce or cannot be replaced at no cost, without significant efforts or delays for the ability to generate an output.

When the Group acquires a business, it must classify or designate the financial assets acquired or liabilities assumed based on contractual terms, economic conditions and other relevant conditions at the acquisition date. This includes verifying whether an embedded derivative should be separated from the host contract.

If the business combination is achieved in stages, the acquirer must recalculate the fair value of the equity interest previously held and measured using the equity method and recognize any resulting gain or loss in profit or loss.

The acquirer must recognize contingent consideration at fair value at the acquisition date. The contingent consideration classified as equity is not remeasured and its subsequent payment is reflected in equity. The fair value change of contingent consideration classified as an asset or liability, such as a financial instrument within the scope of IFRS 9 - Financial Instruments, is recognized in profit or loss in accordance with IFRS 9. Contingent consideration that does not fall within the scope of IFRS 9 is measured at fair value at the reporting date, and changes in fair value are recognized in profit or loss.

Goodwill is initially measured at cost, which emerges as the excess of the sum of the consideration paid and the amount recognized for non-controlling interests over the identifiable assets acquired and liabilities assumed by the Group. If the fair value of the net assets acquired exceeds the total consideration paid, the Group checks whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to determine the amounts to be recognized at the acquisition date. If the consideration is less than the fair value of the net assets of the acquired subsidiary, the difference is recognized in profit or loss.

Subsequent to initial recognition, goodwill is measured at cost less the accumulated impairment losses. For the purpose of impairment testing, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units expected to benefit from the business combination, regardless of whether other assets or liabilities of the acquired entity are assigned to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of an operation within that unit, the goodwill associated with the disposed operation must be included in the carrying amount of the operation when determining the gain or loss on disposal. The goodwill associated with a discontinued operation must be measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Assets held for sale and discontinued operations

An asset held for sale or a discontinued operation is a component of the Group that has been decided to be discontinued or has been discontinued and represents a separate major line of business or geographical area of operations. An asset is classified as discontinued at the time of disposal; when an operation is classified as discontinued, the statement of profit or loss is restated as if the transaction had been discontinued at the beginning of the comparative period.

Investments in associates or joint ventures

An associate is a company over which the Group exercises significant influence and that is not classifiable as a subsidiary or a joint venture. Significant influence means the power to participate in determining an investee's financial and operating policies without having control or joint control over it.

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control; a joint venture involves the formation of a separate company in which each participant has an interest in the net assets.

Under the equity method, an investment in an associate or a joint venture is recognized in the statement of financial position at cost, increased by post-acquisition changes in the Group's share of the associate's or joint venture's net assets. Goodwill regarding the associate or joint venture is included in the carrying amount of the investee and is amortized. The statement of profit or loss reflects the Group's share of the associate's or joint venture's profit or loss for the year. The equity method is also used to measure associates and joint ventures that the parent company recognizes in its separate financial statements at the acquisition or subscription cost, adjusted for any impairment losses to the recoverable amount, in accordance with IAS 36 (Impairment of Assets).

Any changes in other comprehensive income relating to these investees are presented as part of the Group's comprehensive income. If an associate or investee recognizes adjustments charged directly to equity, the Group recognizes its share of the adjustments and reports them, where applicable, in the statement of changes in equity. Gains and losses arising from transactions between the Group and the associate or joint venture are eliminated in proportion to the investment.

The reporting date of the associates is aligned with that of the Group; the joint venture prepares a report for consolidation purposes at the parent company's reporting date and applies uniform accounting principles. If uniform accounting principles are not used, the accounting principles are adjusted to make them consistent with those of the Group for transactions and events of the same nature and similar circumstances.

After applying the equity method, the Group assesses whether it is necessary to recognize an impairment loss on its investment in associates or joint ventures. The Group assesses at each reporting date whether there is objective evidence that the investments in associates or joint ventures have suffered an impairment loss. In such case, the Group calculates the amount of the loss as the difference between the recoverable amount of the associate or joint venture and corresponding carrying amount in its financial statements, and recognizes this difference in the statement of profit or loss as a "share of results of equity-accounted investees”.

When significant influence over an associate or joint control over a joint venture is lost, the Group measures and recognizes the remaining investment at fair value. The difference between the carrying amount of the investment at the date of loss of significant influence or joint control and the fair value of the remaining investment and consideration received is recognized in profit or loss.

When the Group contributes or sells assets to the joint venture, the recognition of any portion of a gain or loss from the transaction reflects the substance of the transaction. When the Group purchases goods or services from the joint venture, it does not recognize its share of the profit from the transaction until it resells that good or service to an independent party.

Impairment losses on non-financial assets

At each reporting date, the Group assesses whether indicators of impairment exist for its assets. If they do, or in cases where an annual impairment test is required, the Group estimates the recoverable amount. The recoverable amount is the higher of the fair value of the asset or cash-generating unit, less costs to sell, and its value in use. The recoverable amount is determined for each asset, except when that asset generates cash flows that are largely independent of those generated by other assets or groups of assets.

If the carrying amount of an asset exceeds its recoverable amount, the asset is impaired and written down to its recoverable amount accordingly. In determining value in use, the Group discounts the estimated future cash flows to present value using a pre-tax discount rate that reflects market assessments of the present value of money and the risks specific to the asset. An appropriate valuation model is used to determine fair value net of selling costs. These calculations are made by assessing the value in use using the discounted cash flow (DCF) model.

Impairment losses on continuing operations are recognized in the statement of profit or loss in the cost categories consistent with the intended use of the impaired asset. Exceptions to this are assets previously revalued where the revaluation was recognized in equity. In such cases, the impairment loss is in turn recognized in equity to the extent of the previous revaluation.

At each reporting date, the Group assesses, for assets other than goodwill, whether there is any indication of the reversal (or reduction) of previously recognized impairment losses, and, if such indications exist, it estimates the recoverable amount. The value of a previously impaired asset may only be reinstated if there has been a change in the estimates on which the calculation of the recoverable amount determined after the recognition of the latest impairment loss was based.

The reversal may not exceed the carrying amount that would have been determined, net of amortization and depreciation, if no impairment loss had been recognized in prior periods. The reversal is recognized in profit or loss unless the asset is recorded at a revalued amount, in which case the reversal is treated as a revaluation increase.

The following criteria are used to account for impairment losses related to specific types of assets.

Goodwill

Goodwill is tested for impairment at least once per year or more frequently if circumstances indicate that the carrying amount may be impaired.

The impairment loss on goodwill is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill belongs.

An impairment loss is recognized when the cash-generating unit's recoverable amount is less than the carrying amount to which goodwill has been allocated. Goodwill impairment cannot be reversed in future periods. The Group tests goodwill for impairment annually at December 31.

Associates and joint ventures

The Group determines at each reporting date whether there is objective evidence that an investment in an associate has suffered an impairment loss. If such evidence exists, the Group calculates the amount of the loss as the difference between the fair value of the associate and the acquisition cost of the investment, and accounts for the loss in profit or loss.

Equity investments and other financial assets

According to IFRS 9, upon initial recognition, financial assets are classified at amortized cost, at fair value through other comprehensive income (FVTOCI), and at fair value through profit or loss (FVTPL), depending on the data.

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the business model the Group uses to manage them. Excluding trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value, plus transaction costs in the case of a financial asset not at FVTPL. Trade receivables that do not contain a significant financing component are measured at the transaction price determined in accordance with IFRS 15. The section on accounting policies - revenues provides further details.

For a financial asset to be classified and measured at amortized cost or at FVTOCI, it must generate cash flows that depend solely on payments of principal and interest (SPPI). This evaluation is referred to as the SPPI test and is performed at the instrument level. Financial assets whose cash flows do not meet the SPPI requirements are classified and measured at FVTPL.

The Group's business model for managing financial assets refers to how it manages those assets to generate cash flows. The business model determines whether cash flows will arise from collecting contractual cash flows, from the sale of financial assets, or both.

All regular way purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Group enters into a commitment to purchase the asset. Regular way purchases and sales are defined as all purchases or sales of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

For the purpose of subsequent measurement, financial assets are classified into four categories:

- financial assets at amortized cost (debt instruments);
- financial assets at fair value through other comprehensive income (FVTOCI) with reclassification of accumulated gains and losses (debt instruments);
- financial assets at FVTOCI without reversal of accumulated gains and losses on derecognition (equity instruments);
- financial assets at fair value through profit or loss (FVTPL).

The Group determines the classification of its financial assets after initial recognition and, where appropriate and permitted, revises this classification at the end of each year.

Financial assets at amortized cost

The Group measures financial assets at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. When the asset is derecognized, modified, or revalued, the related gains and losses are recognized through profit or loss.

The financial assets at amortized cost include trade receivables, held-to-maturity assets and loans.

Financial assets at FVTOCI (debt instruments)

The Group measures financial assets at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instrument assets measured at FVTOCI, interest income, foreign exchange gains and losses and impairment losses and reversals are recognized through profit or loss and are calculated in the same manner as for financial assets measured at amortized cost. The remaining changes in fair value are recognized through OCI. Upon derecognition, the cumulative fair value change recognized through OCI is reclassified to profit or loss.

Investments in equity instruments

Upon initial recognition, the Group may irrevocably elect to classify its share investments as equity instruments recognized at FVTOCI when they meet the definition of equity instruments under IAS *32 Financial Instruments: Presentation* and are not held for trading. The classification is determined for each instrument.

Gains and losses realized on such financial assets are never reversed to profit or loss. Dividends are recognized in profit or loss when the right to receive payment is established, unless the Group benefits from such income as recovery of part of the cost of the financial asset, in which case they are included in OCI. Equity instruments recorded at FVTOCI are not tested for impairment.

Financial assets at FVTPL

The financial instruments at fair value with changes recognized in profit or loss are presented in the statement of financial position at fair value, and the net fair value changes are recognized in the statement of profit or loss.

This category includes derivative instruments and listed investees that the Group has not irrevocably elected to classify at FVTOCI. Dividends from listed investees are recognized as other income in the statement of profit or loss when the right to payment has been established.

An embedded derivative contained in a hybrid non-derivative contract, financial liability or host non-financial contract is separated from the host contract and accounted for as a separate derivative if: its economic characteristics and associated risks are not closely related to those of the host contract; a separate instrument with the same terms as the embedded derivative meet the definition of a derivative; and the hybrid contract is not measured at FVTPL. Embedded derivatives are measured at fair value, with the fair value changes recognized in profit or loss. They are restated only if a change in the contract significantly alters the otherwise expected cash flows or reclassifies a financial asset to a category other than FVTPL.

Derecognition of financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset are extinguished;
- the Group has transferred the right to receive cash flows from the asset or has assumed a contractual obligation to pay them in full and without delay and (a) has transferred substantially all of the risks and rewards of ownership of the financial asset or (b) has neither transferred nor retained substantially all of the risks and rewards of the asset but has transferred control of it.

In cases where the Group has transferred rights to receive cash flows from an asset or has entered into an arrangement whereby it retains the contractual rights to receive the cash flows from the financial asset, but it assumes a contractual obligation to pay the cash flows to one or more recipients (pass-through), it evaluates if and to what extent it has retained the risks and rewards of ownership.

In cases where the Group has neither transferred nor retained substantially all risks and rewards or has not lost control over it, the asset is recognized in the Group's financial statements to the extent of its continuing involvement in the asset. In this case, the Group also recognizes an associated liability. The transferred asset and associated liability are measured to reflect the rights and obligations that remain with the Group. The residual involvement that takes the form of a guarantee on the transferred asset is valued at the lower of the initial carrying amount of the asset and the maximum value of the consideration that the Group may be required to pay.

When the entity's continuing involvement is a guarantee of the transferred asset, the involvement is measured at the lower of the amount of the asset and the maximum amount of consideration received that the entity could be required to repay.

Impairment of financial assets

The Group recognizes an impairment loss (expected credit loss or "ECL") for all financial assets represented by debt instruments not held at FVTPL. The ECL is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The estimated cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The expected losses are measured in two stages. Where credit risk has not increased significantly since initial recognition, ECLs resulting from default events that are possible within the next 12 months are recognized (12-month ECL). Where credit risk has increased significantly since initial recognition, ECLs referring to the remaining life of the exposure are recognized in full, regardless of when the default event is expected to occur (lifetime ECL).

The Group uses a simplified approach to calculate ECL for trade receivables and contract assets. Therefore, the Group does not monitor credit risk changes, but instead fully recognizes the ECL at each reporting date. The Group has established a matrix system based on historical information, revised to consider forward-looking elements regarding specific types of debtors and their economic environment to determine the expected losses.

For assets represented by debt instruments measured at FVTOCI, the Group applies the simplified approach to assets with a low credit risk. At each reporting date, the Group assesses whether the debt instrument is considered to have low credit risk using all available information that can be obtained without undue cost or effort. When a significant increase in credit risk occurs, the Group fully recognizes the expected credit losses over the remaining term of the exposure.

A financial asset is derecognized when there is no reasonable expectation of recovering the contractual cash flows.

Inventories

Inventories consist of materials for maintenance and repair work on technical fixed assets and consumables such as fuel and lubricants, clothing and miscellaneous materials used in cleaning and waste sweeping activities.

Inventories of raw, ancillary and consumable materials are valued at purchase cost, determined using the weighted average cost method per movement. Inventories of materials that are obsolete or no longer used are valued at the lower of cost as previously determined and the realizable value obtained on the basis of market prices.

Contract work in progress

Contract work in progress is measured according to IFRS 15. Revenues over time are recognized if it can be demonstrated that: a) the customer simultaneously receives and consumes the benefit provided by the contract as it is performed; b) the service performed improves.

Contract assets are measured on the basis of the contractual payments, which are generally agreed upon as being equal to the costs incurred for each contract, accrued with reasonable certainty, according to the percentage of completion method, to allocate the revenue and profit of the contract to the individual years, in proportion to the stage of completion.

The percentage of completion is determined as the proportion of the contract costs incurred for work performed up to the reporting date to the total estimated contract costs. The positive or negative difference between the value of the contracts accrued at the end of the period and the invoiced work in progress is entered respectively under the assets or liabilities of the statement of financial position.

In addition to contractual fees, contract revenue includes any variants, price revisions and incentive payments to the extent that they are likely to represent actual revenue that can be determined reliably. Identified losses are recognized irrespective of the percentage of completion of the contract.

Trade and other receivables

The receivables included among the current and non-current assets represent the unconditional right to receive consideration. Trade receivables are recognized initially at the transaction price determined in accordance with IFRS 15, and subsequently the Group recognizes the expected credit losses.

The Group uses a simplified approach to calculate ECL for trade receivables and contract assets.

Therefore, it does not monitor changes in credit risk, but fully recognizes the expected credit loss at each reporting date. The Group has established a matrix system based on track records, revised to consider forward-looking elements regarding specific types of debtors and their economic environment to determine the expected losses.

Further details are provided in the section on the accounting policies regarding revenues and financial assets.

Transfer of financial assets

The Group assigns some of its trade receivables through factoring transactions). The factoring transactions may be either with recourse or without recourse. If these types of transactions meet the conditions of IAS 39, they are derecognized when the risks and rewards associated with their collection have been transferred; otherwise, the receivables assigned through these transactions remain on the Group's statement of financial position, and a financial liability of the same amount is recognized as advances on receivables factoring.

Cash and cash equivalents

The short-term cash and cash equivalents include cash on hand, demand deposits and short-term deposits, the latter with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. In the consolidated statement of cash flows, the cash and cash equivalents are represented by the liquid assets defined above.

Financial liabilities

Upon initial recognition, financial liabilities are classified as financial liabilities at FVTPL (among loans and borrowings) or as derivatives designated as hedging instruments.

All financial liabilities are initially recognized at fair value plus, in the case of mortgages, loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, mortgages and loans, overdrafts, and derivative financial instruments.

For the purpose of subsequent measurement, financial liabilities are classified into two categories.

Financial liabilities at amortized cost (loans and borrowings)

Loans are measured at amortized cost using the effective interest rate method.

Any gain or loss is recognized as profit or loss when the liability is extinguished and through the repayment process.

Amortized cost is calculated by recognizing the discount or premium on the acquisition and the fees or costs that are an integral part of the effective interest rate. The amortization at the effective interest rate is included in the finance costs present in the statement of profit or loss.

Financial liabilities at fair value through profit or loss

The financial liabilities at FVTPL include liabilities held for trading and financial liabilities initially recognized at fair value with the changes charged to profit or loss.

The liabilities held for trading are all those acquired for sale or settlement in the short term. Derivatives, including separated ones, are classified as financial instruments held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in profit or loss.

When a condition of a long-term loan arrangement is breached on or before the end of the reporting period with the effect that the liability becomes payable on demand, the liability is classified as current, even if the lender agreed, after the reporting period and before the authorization of the financial statements for issue, not to demand payment as a consequence of the breach. The liability is classified as current because, at the end of the reporting period, the entity does not have an unconditional right to defer its settlement for at least twelve months after that date.

Financial liabilities are designated at FVTPL from the date of initial recognition, only if the conditions of IFRS 9 are met. At initial recognition, the Group did not designate financial liabilities at FVTPL.

Trade payables, which mature within normal business terms, are not discounted and are recorded at cost (identified by their nominal value), which represents the fair value at the reporting date.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation specified in the contract is discharged, canceled or fulfilled.

When an existing financial liability is replaced by another one from the same lender under substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, with any differences between the carrying amounts recognized in profit or loss.

Offsetting of financial assets and liabilities

A financial asset and a financial liability may be offset and the net amount reported in the statement of financial position when a legally enforceable right to offset the amounts exists and there is an intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Provisions for risks and charges

Provisions for risks and charges are allocated when the Group has a present obligation (legal or constructive) due to a past event, an outflow of resources will probably be required to settle the obligation, and a reliable estimate of the amount can be made.

When the Group considers that a provision for risks and charges will be partly or fully reimbursed, for example, in the case of risks covered by insurance policies, the indemnity is recognized separately as an asset if, and only if, it is practically certain. If it is, the cost of any provision is presented in the statement of profit or loss net of the amount recognized for the indemnity. If the effect of discounting the value of money is significant, provisions are discounted using a pre-tax discount rate that reflects, where appropriate, the risks specific to the liabilities.

In discounting to present value, the increase in the provision due to the passage of time is recognized as a finance cost.

Liabilities for landfill post-closure costs

There are provisions for costs for the operation and recovery of landfill areas that will be incurred at the end of the concessions for post-closure care. As a contra-entry, an increase is recognized in plant and machinery, which includes the plant related to the individual landfill.

Costs related to landfill post-closure care are stated at the present value of the costs expected to settle the obligation, using estimated cash flows and a pre-tax discount rate that reflects the risks associated with that liability.

The effect of discounting is charged to profit or loss as a finance cost whenever it appears. The estimated cash flows are reviewed annually and adjusted as appropriate. Changes in cost estimates or in the discount rate are deducted from the cost of the asset.

Employee benefits - retirement benefit obligations

The liability relating to defined benefit plans (retirement benefit obligations accrued at December 31, 2006), net of any plan assets, is determined using actuarial assumptions and is recognized on an accrual basis consistent with the employment service required to obtain the benefits; independent actuaries measure the liability.

Pursuant to the changes resulting from Law 296 of December 27, 2006 (2007 Budget Law) and subsequent decrees and regulations, the retirement benefit obligations of Italian companies accrued from January 1, 2007 or from the date of the option to be exercised by employees is included in the category of defined contribution plans, both in the case of the option for supplementary pension schemes and for the allocation to the INPS Treasury Fund. The accounting treatment of the benefit was thus assimilated to the one in place for contribution payments of another nature.

The liability relating to defined benefit plans, net of any plan assets, is determined using actuarial assumptions and is recognized on an accrual basis consistent with the employment service required to obtain the benefits.

Independent actuaries measure the liability. Gains and losses arising on the actuarial calculation related to the defined benefit plan are recognized in the statement of comprehensive income entirely in the period in which they occur. These actuarial gains and losses are immediately classified as retained earnings and are not reclassified to profit or loss in subsequent periods.

The retirement benefit obligations accrued from January 1, 2007 or from the date the option is chosen are included in the category of defined contribution plans, both in the case of the supplementary pension option and of allocation to the INPS Treasury Fund. The accounting treatment of this post-employment benefit was thus assimilated to that in place for other types of contribution payments.

Derivative financial instruments and hedging transactions

The Group uses derivative financial instruments such as interest rate swaps to hedge risks arising mainly from interest rate fluctuations. These derivative financial instruments are initially recognized at fair value on the date they are entered into; subsequently, the fair value is remeasured regularly. They are accounted for as assets when the fair value is positive and as liabilities when it is negative.

Any gains or losses resulting from changes in the fair value of derivatives that do not qualify for hedge accounting are recognized directly in profit or loss during the year.

The fair value of interest rate swap contracts is determined by reference to the market value for similar instruments.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges if they hedge against the risk of a change in the fair value of the underlying asset or liability; or an irrevocable commitment (excluding currency risk);
- cash flow hedges if they hedge against exposure to cash flow fluctuations attributable to

a particular risk associated with a recognized asset or liability or a planned highly probable transaction or currency risk in a firm commitment;

- net investment hedges in a foreign entity.

When entering into a hedging transaction, the Group formally designates and documents the hedging relationship to which it intends to apply hedge accounting, its risk management objectives, and the strategy pursued.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk and how the Group will assess whether the hedging relationship meets hedge effectiveness requirements (including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined). The hedging relationship meets the eligibility criteria for hedge accounting if it satisfies all of the following hedge effectiveness requirements:

- an economic relationship exists between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes associated with the economic relationship;
- the hedge ratio reflects the relationship between the hedging instrument and hedged item.

Transactions eligible for hedge accounting are accounted for as follows:

Cash flow hedge

The portion of gain or loss on the hedged instrument relating to the effective portion of the hedge is recognized directly in equity, whereas the ineffective portion is recognized immediately in profit or loss. The equity reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item.

Amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in recognition of a non-financial component, the amount accumulated in equity is removed from the separate component of equity and included in the cost or other carrying amount of the hedged asset or liability. This is not considered a reclassification of the items recognized in other comprehensive income (OCI) for the period. This is also the case of a forecast hedge transaction of a non-financial asset or non-financial liability that subsequently becomes an irrevocable commitment to which fair value hedge accounting applies.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows impact profit or loss.

If the cash flow hedge accounting is discontinued, the amount accumulated in OCI must remain there if the hedged future cash flows are expected to occur. Otherwise, the amount must be immediately reclassified to profit or loss as a reclassification adjustment. After suspension, once the hedged cash flow occurs, any accumulated amount remaining in OCI is accounted for according to the nature of the underlying transaction, as described previously.

Revenue

According to IFRS 15, revenue recognition is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligation, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligation identified based on the stand-alone selling price of each good or service; (v) recognition of revenue when the related performance obligation is satisfied, i.e. when the promised good or service is transferred to the customer; the transfer is deemed complete when the customer obtains control of the good or service, which may occur continuously over time or at a point in time).

Revenues from contracts with customers are recognized when (or as) the performance obligation is satisfied, and the promised goods and services are transferred to the customer, for an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. The Group generally acts as the Principal for all agreements from which revenues arise.

IFRS 15.48 requires the Group to consider the effects of each of the following when determining the transaction price:

- variable consideration;
- constraining estimates of variable consideration;
- the existence of a significant financing component in the contract;
- non-cash consideration;
- consideration payable to a customer.

If the consideration promised in the contract includes a variable amount, the Group has estimated the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated when the contract is stipulated and cannot be recognized until it is highly probable that when the uncertainty associated with the variable consideration is subsequently resolved, a significant downward adjustment to the amount of cumulative revenue should be recognized. No sales contract provides customers with a right of return and volume discounts.

The Group has not identified the existence of a significant financing component, non-cash consideration, and consideration payable to the customer.

The Group has considered whether there are other promises in the contract that represent performance obligations on which part of the transaction consideration is to be allocated (e.g. guarantees, customer loyalty programs), but has not identified such cases.

The following specific revenue recognition criteria must be met before revenue is recognized in the statement of profit or loss:

Revenue from rates

Revenues from the integrated water service are determined by reference to the accrued sales, adjusted for any positive or negative adjustments that are certain to be applied. The revenues are determined by reference to the guaranteed revenue constraint ("Vrg") calculated using the water rate method ("Mti-4") currently in effect for 2024-2029.

The approval of rates under the Mti-4 method consists of defining a guaranteed revenue constraint ("Vrg"), which determines a rate multiplier (the theta) that defines the rate increases from periods after 2023 (the last year of application of the previous water rate method, "Mti-3").

In addition to containing a component linked to rate adjustments of previous years, the revenue constraint determines with certainty the amount of the adjustment, on the basis of the actual sales, for the year. The adjustment will be included within the determination of the revenue constraint of the second year after the reference period.

Within the defined revenue constraint, the Mti-4 method stipulates that a portion of these revenues must be allocated to the New Investments Fund (Foni).

Given the legal nature of consideration, however, it was decided that the New Investments Fund should be regarded as accrued income.

Under Article 15.1 of the Italian Regulatory Authority for Energy, Networks and Environment

("Arera") Resolution 639/2023/R/idr (regulating Mti-3), the integrated water service ("IWS") operator is required to allocate exclusively to the realization of new investments, identified as a priority in the territory served, a share of the recognized revenue constraint allocated to the New Investments Fund.

The directors have decided to ensure the New Investments Fund constraint by allocating, at the General Meeting for the financial statement approval, a portion of the year's profit corresponding to the amount of this revenue constraint (net of tax) to a non-distributable equity reserve.

If the New Investments Fund amount exceeds the profit for the year, the remainder is allocated to a non-distributable reserve by reducing the equity reserves that are distributable at that time.

The New Investments Fund allocation to a non-distributable reserve ceases in the following year if the realized integrated waer service investments are equal to or greater than the Fund itself.

Revenues from the waste management service rates and fees are determined by reference to the accrued sales, adjusted for any positive or negative adjustments that are certain to be applied. Such revenues were determined by referring to the financial plans of each municipality calculated using the Mtr-2 rate method in effect for 2022-2025, even for the part exceeding the rate increase cap set by the method, since Mtr-2 requires it to be recognized through the gradual addition of such portions in the future financial plans without needing additional approval by the national authorities. This is confirmed by the new Mtr-3 rate method in effect for 2026-2029.

Performance of services

The revenue is recognized on an accrual basis, according to the percentage of completion of the activities and/or the consideration established annually in the service contract with the various municipalities.

The percentage of completion is measured by reference to the costs incurred compared to the total costs estimated for each contract. When the outcome of the contract cannot be measured reliably, revenue is recognized only to the extent that the costs incurred are expected to be recoverable.

Sale of goods

Sales revenue is recognized when the entity has transferred control of the goods to the customer, generally on the date of shipment of the goods.

Rental income and concessions

Rent from investment property is accounted for on a straight-line basis over the term of the leases existing at the reporting date.

Concession revenues refer mainly to payments received for space provided to market operators. The revenues are accounted for on a time basis.

Expenses

Expenses are measured at the fair value of the amount paid or payable. Expenses related to goods or services sold or consumed during the year, or deriving from systematic allocation, or when their future utility cannot be identified, are recognized and charged directly to profit or loss.

Government grants

Government grants are recognized when there is reasonable assurance that they will be received and all the conditions attached to them have been met. When grants relate to components of cost, they are recognized as income but distributed on a systematic basis over the periods in a way to relate them to the costs they are intended to compensate. Where the grant is related to a fixed asset, it is recognized at its nominal value as a deduction from the cost of the asset, and the income is released to profit or loss on a straight-line basis over the expected useful life of the relevant asset through a reduction of the related depreciation cost.

Finance income and costs

Interest income

This is recognized as finance income following the verification of accrued interest income (using the effective interest method, which produces the rate that exactly discounts the expected future cash flows based on the expected life of the financial instrument to the net carrying amount of the financial asset).

Dividends

Dividends are recognized when the shareholders' right to receive payment arises.

Finance costs

Finance costs are recognized in the statement of profit or loss on an accrual basis.

Income Tax

Current taxes

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those enacted or substantively enacted at the reporting date in the country where the Group operates and generates its taxable income.

Current taxes relating to items recognized directly in equity are also recognized directly in equity and not in profit or loss.

The directors assess regularly the position taken in the tax return where tax rules are subject to interpretation and, where appropriate, allocate the relevant amounts.

Deferred taxes

Deferred taxes are calculated using the liability method on temporary differences arising at the reporting date between the tax bases of assets and liabilities and the amounts reported in the financial statements. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when deferred tax liabilities derive from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the profit for the year calculated for financial reporting purposes nor the profit or loss calculated for tax purposes;
- concerning taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the reversal of temporary differences can be controlled and will probably not occur in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and tax assets and liabilities carried forward, to the extent that there will probably be adequate future taxable profits against which the deductible temporary differences and deferred tax assets and liabilities carried forward can be used, except where:

- the deferred tax asset associated with deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the profit for the period calculated for financial reporting purposes nor the profit or loss calculated for tax purposes;
- concerning taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are recognized only to the extent that it is probable that the deductible temporary differences will reverse in the immediate future and that there are adequate taxable profits against which the temporary differences can be used.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in the future against which such receivable can be used. Unrecognized deferred tax assets are reviewed annually at the reporting date and are recognized to the extent that it has become probable that taxable profit will be sufficient to allow those deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to the year in which those assets are realized, or those liabilities are settled, considering the rates in effect and those already enacted or substantively enacted at the reporting date.

Income tax on items recognized directly in equity is recognized directly in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities offset each other if a legal right to offset current tax assets and current tax liabilities exists and the deferred income tax refers to the same taxable entity and the same tax authority.

Value added tax

Income, expenses and assets are recognized net of value-added tax, except where:

- such tax is non-deductible, in which case it is recognized as part of the purchase cost of the asset or part of the cost item recognized in the statement of profit or loss;
- it refers to trade receivables and trade payables presented inclusive of the tax amount.

3. Business combinations and disposals of non-controlling interests

Acquisitions and disposals in 2025

Eco+Eco srl's acquisition of Ri.Cart Venezia quotas

On October 7, 2025, Eco+Eco completed the acquisition of a 55% stake in its associate Ri.Cart. Venezia srl, bringing the Group's ownership to 100% and thus obtaining the control and the consolidation of the company within the Group from such date.

Other transactions in 2025

In April 2025 the Board of Directors of Metalrecycling Venice srl promptly complied with the legal obligations for losses exceeding one third of the share capital, and then, at the General Meeting of April 2025, the sole shareholder Eco+Eco srl reduced the share capital due to the losses and subsequently subscribed to a capital increase of € 5 million, in part by offsetting receivables due from the company. The new share capital is € 5,869 thousand.

At the end of April 2025, Rive srl’s shareholders (Depuracque servizi and Hexa Green) resolved, subscribed to, and paid in a pro-rata capital increase totaling € 2,000 thousand, bringing the company's new share capital to € 4,000 thousand.

In November 2025 the acquisition of all Asvo shares was completed with the purchase of the remaining shares (44.25% of capital) owned by the Portogruaro municipalities (Veritas shareholders), in part through an exchange of Veritas treasury shares purchased specifically for the transaction by other Veritas shareholder municipalities that were not Asvo shareholders, in part with cash payment and in part with debt, pending the Municipality of Chioggia's sale to Veritas of its portion of treasury shares, which occurred in January 2026, enabling to pay off the residual debt to the Portoguaro municipalities with the handover of the treasury shares.

In December 2025, Veritas subscribed an additional share capital increase resolved by Eco+Eco srl; as a result of the € 20 million subscription, Veritas' interest in Eco+Eco is now 71.45% of the share capital. The capital increase was paid by offsetting with trade receivables for the same amount.

By the subscription deadline in February 2026, the shareholder Trevisan spa participated in the share capital increase by paying its portion (share capital and share premium) of € 294 thousand.

Acquisitions/disposals after the reporting date

There have been no acquisitions or disposals of business units or of investees since the reporting date.

4. Acquisition of investments in entities under common control

The Group did not formalize any acquisitions of investments in entities under common control.

5. Assets and liabilities held for sale and disposals of receivables and payables due from and due to subsidiaries held for sale

These assets and liabilities are classified in the statement of financial position under the following headings:

- current receivables due from or payables due to subsidiaries held for sale;
- non-current receivables due from or payables due to subsidiaries held for sale;
- assets held for sale;
- liabilities held for sale.

For 2025, no companies were consolidated under IFRS 5.

Disposals of individual assets held for sale

Below are the assets with any associated liabilities classified as held for sale following the directors' decision to sell them or, afterward, the stipulation of preliminary agreements to sell them. The respective comparative items at December 31, 2024 are also presented.

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
assets		
investment property		
other assets held for sale	2,544	
equity accounting of companies held for sale		
total assets held for sale	**2,544**	
liabilities		
total liabilities held for sale		
total net assets held for sale	**2,544**	

It deals with an incinerator owned by Sifa.

6. Intangible assets

Changes in intangible assets at December 31, 2025 and December 31, 2024:

(in thousands of euros)	development costs	patent rights	licenses and software	public service concessions	other intangible assets	investments in progress	total
cost							
at January 1, 2024	**469**	**310**	**62,474**	**27,870**	**6,329**	**1,867**	**99,319**
increases due to business combi-nations							
change in scope of consolidation			8			27	35
increases			5,449			178	5,627
disposals		-64	-1,246				-1,310
reclassifications		7	907		35	-687	262
other changes	-24				-35	-975	-1,034
at December 31, 2024	**445**	**253**	**67,592**	**27,870**	**6,329**	**410**	**102,899**
amortization and impairment losses							
at January 1, 2024	**-165**	**-290**	**-55,588**	**-24,709**	**-149**		**-80,901**
increases due to business combinations							
change in scope of consolidation			-8				-8
amortization	-41	-7	-5,372	-777	-52		-6,249
disposals		64	1,246				1,310
reclassifications							
impairment losses							
other changes	10						10
at December 31, 2024	**-196**	**-233**	**-59,722**	**-25,486**	**-201**		**-85,838**
residual amount of 2024 grants			**-14**				**-14**
net carrying amount							
at December 31, 2024	**249**	**20**	**7,856**	**2,384**	**6,128**	**410**	**17,047**
cost							
at January 1, 2025	**445**	**253**	**67,592**	**27,870**	**6,329**	**410**	**102,899**
increases due to business combi-nations							
change in scope of consolidation							
increases		9	5,341			732	6,082
disposals			-42			-9	-51
reclassifications			215			-166	49
other changes							
at December 31, 2025	**445**	**262**	**73,106**	**27,870**	**6,329**	**967**	**108,979**
amortization and impairment losses							
at January 1, 2025	**-196**	**-233**	**-59,722**	**-25,486**	**-201**		**-85,838**
increases due to business combi-nations							
change in scope of consolidation							
amortization	-41	-7	-5,054	-742	-52		-5,896
disposals			42				42
reclassifications							
impairment losses					-44		-44
other changes					44		44
at December 31, 2025	**-237**	**-240**	**-64,734**	**-26,228**	**-253**		**-91,692**
residual amount of 2025 grants							
net carrying amount							
at December 31, 2025	**207**	**22**	**8,372**	**1,642**	**6,076**	**967**	**17,285**

Licenses and software comprise mainly the costs of developing and updating Sap software modules used by the parent company.

The capital expenditures for the year amount to € 6,082 thousand, whereas those paid in 2025 amount to € 6,131 thousand.

The investments in licenses and software amount to € 5,341 thousand, of which € 5,276 thousand refers to the parent company.

The public service concessions, amounting to € 1,642 thousand at December 31, 2025, refer to the concession of the operation of the Jesolo landfill acquired in 2018 from the Alisea merger (€ 1,034 thousand), and the concession of the use of the Spinea crematorium (€ 608 thousand).

The other intangible assets include the right to the 10-hectare area acquired by the parent company in 2018, and then recognized by Eco+Eco; in 2024 it was transferred to Ecodistretto RE (€ 4,682 thousand). In 2019, the right to the former Co.in.tra. area was finalized for € 1,381 thousand, and it too was transferred to Ecodistretto RE.

Service concession arrangements

Pursuant to IFRIC 12 adoption, after analyzing the existing concession arrangements with the grantors, the Group decided to apply the interpretation to all the integrated water cycle activities managed by Sifa's parent company.

Therefore, all the infrastructures were reclassified to a separate item of intangible assets, "service concession arrangements".

In addition, the related government grants, previously classified as items of current and non-current liabilities, were reclassified, thus the net amount of the service concession arrangements is presented.

The amounts of the service concession arrangements are as follows:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
water service concession arrangements	376,873	360,452
total service concession arrangements	**376,873**	**360,452**

The table below presents the changes in service concession arrangements at December 31, 2025 and December 31, 2024:

(in thousands of euros)	service concession arrangements
cost	
at January 1, 2024	**904,970**
increases due to business combinations	
change in scope of consolidation	161,505
increases	57,717
disposals	-1,104
reclassifications	-38
other changes	
at December 31, 2024	**1,123,050**
amortization and impairment losses	
at January 1, 2024	**-408,696**
increases due to business combinations	
change in scope of consolidation	-64,207
amortization	-26,692
disposals	971
reclassifications	8
impairment losses	
other changes	
at December 31, 2024	**-498,616**
residual amount of 2024 grants	**-263,982**
net carrying amount	
at December 31, 2024	**360,452**
cost	
at January 1, 2025	**1,123,050**
increases due to business combinations	
change in scope of consolidation	
increases	51,866
disposals	-1,216
reclassifications	396
other changes	802
at December 31, 2025	**1,174,898**
amortization and impairment losses	
at January 1, 2025	**-498,615**
increases due to business combinations	
change in scope of consolidation	
amortization	-27,885
disposals	1,063
reclassifications	106
impairment losses	-1,419
other changes	-1
at December 31, 2025	**-526,751**
residual amount of 2025 grants	**-271,274**
net carrying amount	
at December 31, 2025	**376,873**

The 2025 capital expenditures for water infrastructure were € 51,866 thousand; those paid in the year are for the same amount.

The service concession arrangement assets include right-of-use assets of € 5,485 thousand pursuant to the application of IFRS 16.

The service concession arrangement assets include leased portions of buildings (see Note 2.3 on leases, Note 34 and Note 44), which generate revenue of € 929 thousand.

7. Goodwill and related impairment testing

The goodwill acquired through business combinations was allocated to the following separate cash-generating units ("CGU"s), which pertain to different business segments, for the purpose of impairment testing:

- waste treatment plant CGU;
- Mogliano Veneto area integrated water service ("IWS") CGU;
- Asvo waste management service ("WMS") CGU;
- Euroscavi CGU.

The table below lists the carrying amount of goodwill allocated to each of the cash-generating units:

(in thousands of euros)	Dec. 31, 2024	increases	decreases	Dec. 31, 2025
waste treatment plant CGU	16,065			16,065
Mogliano Veneto area IWS CGU	788			788
Asvo WMS CGU	4,370			4,370
Euroscavi CGU	2,464			2,464
total goodwill	**23,688**			**23,688**

No impairment losses relating to the goodwill allocated to the cash-generating units were identified.

Waste treatment plant CGU

The recoverable amount of the waste treatment plant CGU (Eco+Eco srl) was determined on the basis of value in use. The cash flow projection contained in the 2026-2030 financial plan approved by management was used for the calculation.

The discount rate applied to the prospective cash flows is 6.53%, and a growth rate of 1.2% was assumed.

The impairment test performed with the assistance of an expert appointed by the parent company confirmed, based on the approved business plan, the recoverability of the amount of goodwill allocated to the CGU and recognized in the financial statements.

Integrated water service in Mogliano Veneto area

The goodwill recognized in the parent company's financial statements, calculated pursuant to the acquisition of Spim spa's assets in 2008, is tested for impairment at least annually to identify any impairment losses.

The goodwill impairment test was conducted as part of the measurement of the assets related to the integrated water service.

Asvo CGU

No impairment testing was performed for Asvo for this year because the carrying amount of the investee is backed up by the fair value stated in the business valuation report prepared in April 2025 to support Veritas' purchase of the remaining shares from the non-controlling shareholders, which took place on November 25, 2025.

Euroscavi CGU

The recoverable amount of the CGU was determined based on the value in use. The cash flow projection contained in the financial plan approved by management, covering three years (2026-2028), was used for the calculation.

The discount rate applied to the prospective cash flows is 6.90%, and a growth rate of 1% was assumed.

The impairment test performed by an expert appointed by the parent company confirmed, based on the business plan approved by Euroscavi's management, the recoverability of the amount of goodwill recognized in the financial statements.

Sensitivity to assumption changes

A sensitivity analysis was performed by determining the weighted average cost of capital ("WACC") rate which, like the parity growth rate, would result in no difference between the recoverable amount and the carrying amount for each CGU. The results of the analysis are as follows:

	sensitivity analysis and parity		
	WACC	g rate	plan
Eco+Eco srl	7.97%	1.20%	2026-2030
Euroscavi	23.40%	1.00%	2026-2028

8. Property, plant and equipment

Changes in property, plant and equipment at December 31, 2025 and at December 31, 2024:

(in thousands of euros)	land and buildings	plant and machinery	ind. and comm. equip.	other assets	leasehold improve-ments	leased assets	assets under const. or advances	total
cost								
at January 1, 2024	**235,973**	**257,695**	**79,265**	**157,635**	**27,867**	**42,652**	**61,158**	**862,245**
increases due to business combina-tions								
change in scope of consolidation	712	29,623	560	108	6		122	31,131
increases	4,146	12,847	5,412	12,795	737	5,157	50,145	91,239
disposals	-19	-524	-1,524	-5,781	-3	-1,907		-9,758
reclassifications	1,543	19,735	24	883	115	-1,268	-22,564	-1,532
other changes		-10,972	-81	2		52	1,292	-9,707
at December 31, 2024	**242,355**	**308,404**	**83,656**	**165,642**	**28,722**	**44,686**	**90,153**	**963,618**
depreciation and impairment losses								
at January 1, 2024	**-66,552**	**-178,063**	**-52,851**	**-106,204**	**-16,495**	**-11,388**	**-160**	**-431,713**
increases due to business combina-tions								
change in scope of consolidation	-178	-11,926	-560	-82	-2			-12,748
increases			-27					-27
depreciation	-4,625	-15,167	-4,644	-10,161	-875	-4,364		-39,837
disposals	8	327	1,450	5,741	3	1,425		8,954
reclassifications	11	145	28	261		855		1,300
impairment losses				-97			-28	-124
other changes		5,899	81	-2				5,978
at December 31, 2024	**-71,336**	**-198,785**	**-56,523**	**-110,544**	**-17,369**	**-13,472**	**-188**	**-468,217**
residual amount of 2024 grants	**-1,804**	**-3,568**	**-214**	**-681**	**-152**	**-15**		**-6,434**
net carrying amount								
at December 31, 2024	**169,215**	**106,051**	**26,919**	**54,417**	**11,201**	**31,199**	**89,965**	**488,967**
cost								
at January 1, 2025	**242,355**	**308,404**	**83,656**	**165,642**	**28,722**	**44,686**	**90,153**	**963,618**
increases due to business combina-tions								
change in scope of consolidation								
increases	2,647	8,841	5,686	9,531	554	19,056	58,843	105,158
disposals	-339	-452	-1,327	-2,512	-64	-2,557		-7,251
reclassifications	2,320	33,106	202	1,438	1,199	-2,114	-36,711	-560
other changes		-8,681	-27	35	1	585	1	-8,086
at December 31, 2025	**246,983**	**341,218**	**88,190**	**174,134**	**30,412**	**59,656**	**112,286**	**1,052,879**
depreciation and impairment losses								
at January 1, 2025	**-71,336**	**-198,785**	**-56,523**	**-110,544**	**-17,369**	**-13,472**	**-188**	**-468,217**
increases due to business combina-tions								
change in scope of consolidation								
depreciation	-4,830	-16,224	-4,714	-10,927	-904	-5,525		-43,124
disposals	109	356	1,260	2,326	10	601		4,662
reclassifications	15	-503	85	-231		644		10
impairment losses							-67	-67
other changes		5,574	27	33		-529		5,105
at December 31, 2025	**-76,042**	**-209,582**	**-59,865**	**-119,343**	**-18,263**	**-18,281**	**-255**	**-501,631**
residual amount of 2025 grants	**-1,701**	**-5,461**	**-323**	**-581**	**-125**	**-35**	**-39**	**-8,265**
net carrying amount								
at December 31, 2025	**169,240**	**126,175**	**28,002**	**54,210**	**12,024**	**41,340**	**111,992**	**542,983**

The value of property, plant and equipment rose from € 488,967 thousand to € 542,983 thousand, an increase of € 54,016 thousand.

The capital expenditures of € 105,158 thousand included € 2,647 thousand for land and buildings, € 8,841 thousand for plant and machinery, € 5,586 thousand for industrial and commercial equipment, € 9,531 thousand for other tangible assets, € 554 thousand for leasehold improvements, € 19,056 thousand for rights to use assets under leases, and € 58,843 thousand for assets under construction, whereas the capital expenditures paid in 2025 amount to € 87,429 thousand.

For the parent company, the capital expenditures included € 1,944 thousand for land and buildings, € 4,244 thousand for plant and machinery, € 4,930 thousand for industrial and commercial equipment, € 7,807 thousand for other tangible assets , € 410 thousand for leasehold improvements, € 9,706 thousand for rights to use assets under leases, and € 16,409 thousand for assets under construction, for a total amount of € 45,450 thousand, whereas the capital expenditures paid in 2025 amount to € 34,353 thousand.

The capital expenditures for assets under construction include Eco+Eco's investments of € 38,970 thousand deriving from various contracts, such as additional work at the *valorizza* hub in Fusina on the secondary solid fuel (SSF) plant to achieve greater operating cohesion between this plant and the Line 1 and Line 2 plants. In addition, renovation work was carried out at the transfer station, where waste is transported from the Venetian lagoon eaves and where waste shredding and handling operations are also carried out on behalf of the parent company. The residual reprocessing plants in Area 43H were capitalized, and the plastic recycling plant in the former Alcoa area was completed. Among the projects soon to be put into full operation, currently in a provisional operation phase, the Line 2 waste-to-energy plant contract is particularly important; it will result in the capitalization of the plant.

An amount of € 15,000 thousand refers to advance payments made by Veritas for plants used to select and treat paper and plastic fractions from sorted waste collection and to produce secondary plastic raw materials, for the purpose of subsequently leasing the facility to Eco+Eco srl.

Other changes within plant and equipment totaling €-247 thousand refer to the reduction in the capitalization of discounted post-operational costs related to the Jesolo landfill, due to an update to the discount rate and the payment plan for those post-operational costs.

Reclassifications, used to align the Group's recognition criteria for the assets (specifically, intraGroup changes due to the sale/disposal of assets), are also used to reallocate redeemed leased assets to the corresponding asset categories.

The net decrease of € 2,589 thousand includes € 230 thousand for land and buildings, € 96 thousand for plant and machinery, € 67 thousand for industrial and commercial equipment, € 186 thousand for other tangible assets, € 54 thousand for leasehold improvements and € 1,956 thousand for rights to use assets under leases.

The depreciation for the year, € 43,124 thousand, was calculated on all depreciable assets at the year end by applying rates deemed representative of the economic-technical life of the assets, as explained in the accounting policies.

Such rates, reduced proportionally for assets that began to be used during the year to take into account the shorter period of use, were determined in relation to the remaining useful life of the assets, so they are deemed representative of the economic-technical life of the assets.

The depreciation rate applied to the facilities and land pertaining to the Jesolo landfill was calculated on the basis of the quantity of waste assigned during the year compared to the residual capacity of the landfill on January 1, 2025; the rate applied this year was 40.22%. The landfill is currently expected to finish operating at the end of 2027.

Property, plant and equipment include buildings leased out (recognized among property, plant and equipment) that generate income of € 35 thousand for the parent company, € 6 thousand for Euroscavi srl, and € 35 thousand for Metalrecycling Venice srl (see Note 2.3 on leases, Note 34 and Note 44).

There are no properties encumbered by mortgages to secure financing.

9. Investment property

The table below shows the changes in investment property at December 31, 2025 and December 31, 2024, consisting entirely of land and buildings:

(in thousands of euros)	total
Cost	
at January 1, 2024	**84**
increases	
disposals	
reclassifications	
other changes	
at December 31, 2024	**84**
depreciation and impairment losses	
at January 1, 2024	**-72**
depreciation	-2
disposals	
reclassifications	
impairment losses	
other changes	
at December 31, 2024	**-74**
residual amount of 2024 grants	
net carrying amount	
at December 31, 2024	**10**
Cost	
at January 1, 2025	**84**
increases	
disposals	
reclassifications	
other changes	
at December 31, 2025	**84**
depreciation and impairment losses	
at January 1, 2025	**-74**
depreciation	-3
disposals	
reclassifications	
impairment losses	
other changes	
at December 31, 2025	**-77**
residual amount of 2025 grants	
net carrying amount	
at December 31, 2025	**7**

10. Investments in associates and joint ventures

The 2025 changes for the year in this item are shown in the table below.

investees	Dec. 31, 2024				changes for the year				Dec. 31, 2025			
company	% held	value	impair./ reval.	total	pur- chases/ loss cvg.	reclass.	dispos- als/ mergers	impair./ reval.	% held	value	impair./ reval.	total
Ecolegno CM Venezia srl	29.18%	20	0	20					32.34%	20	0	20
OMD srl	18.24%	4,459	0	4,459			-4,459		0.00%	0	0	0
Bioenergie italiane srl (fomerly Mia energia srl)	21.89%	300	0	300					24.25%	300	0	300
9-Tech srl	22.00%	252	0	252					22.00%	252	0	252
Ri.cart srl	32.83%	90	0	90			-90		80.84%	0	0	0
Vier scarl	49.00%	741	-235	506					49.00%	741	-235	506
total associates		**5,862**	**-235**	**5,627**	**0**	**0**	**-4,549**	**0**		**1,313**	**-235**	**1,078**

The investments in associates and joint ventures fell from € 5,627 thousand to € 1,078 thousand, decreasing by € 4,549 thousand in connection with Eco+Eco srl's disposal of 18.24% of OMD quotas for € -4,459 thousand and the reclassification of Ri.Cart srl from associate to subsidiary for € 90 thousand.

The associates are not listed on any regulated market.

The key financial information about the individual companies is reported hereunder. It was obtained from the IFRS-compliant financial statements or otherwise from a restatement of the accounts prepared under Italian GAAP, deemed to be representative for IAS purposes.

The associates continue to play a fundamental role in contributing to the industrial and market management of the parent company and the subsidiaries, providing the necessary strategic flexibility in conducting business activities.

Ecolegno CM Venezia srl

This company was established on December 1, 2021 by Sage Srl and Eco-ricicli Veritas srl (now Eco+Eco srl), which hold 60% and 40% of the share capital of € 50 thousand, respectively.

The company's main purpose is the collection, marketing, sale, purchase, processing and transformation of non-hazardous waste with a predominantly woody composition, as well as the design and construction of facilities equipped for the storage and treatment of woody waste.

The company has not been operational since its establishment, including in 2025.

Therefore, the financial statement data reported in the table below represent the income and expenses associated with the minimal operation of the facility and the corresponding assets and liabilities.

Since the 2025 financial statements have not been approved yet as a result of the extended deadline, the December 31, 2024 data is reported in comparison with the December 31, 2023 data from the company's first financial statements.

(in thousands of euros)	2024	2023
statement of financial position data		
current assets	35	38
non-current assets	7	7
current liabilities	-4	-3
non-current liabilities	0	0
total net assets	**38**	**42**
statement of profit or loss data		
revenue	0	0
profit/(loss)	-3	-4
carrying amount of the investment	**20**	**20**

Bioenergie italiane srl

Bioenergie Italiane srl originates from the transformation of Mive srl, owned by a single company (Veritas spa), and its core business was the purchase, sale, and temporary management of buildings. The company was initially placed in liquidation in 2014, and then in September 2022 the company came out of liquidation and changed its name. The company's new purpose is to buy and sell electric power, natural gas and other energy products, with a special focus on electricity and gas produced from the transformation of waste or from other renewable sources.

Due to Veritas spa's sale of the quotas, at the end of 2022 the ownership became: Finam Group 51% and Eco+Eco srl 49%. In 2024 Eco+Eco srl sold an additional 19% stake in the company to the Finam Group; therefore, the ownership at the end of 2024 was: Finam Group spa 70%, Eco+Eco srl 30%.

The following table summarizes the key figures regarding the investment in Bionergie Italiane srl referring to 2025 (from the latest approved financial statements), compared with those of 2024:

(in thousands of euros)	2025	2024
statement of financial position data		
current assets	2,888	2,320
non-current assets	135	88
current liabilities	-1,897	-1,294
non-current liabilities	-1	-2
total net assets	**1,125**	**1,114**
statement of profit or loss data		
revenue	6,804	4,919
profit/(loss)	11	79
carrying amount of the investment	**300**	**300**

9-Tech srl

This company has been registered in the special section of innovative small and medium-sized enterprises of the Venice Companies Register since January 27, 2025 (it was registered in the special section of innovative start-ups since January 30, 2020).

9-Tech srl carries out research and development of technological processes in the circular economy regarding the recovery of strategic materials from electronic waste, for the purpose of patenting them and building equipment that uses them with large-scale mechanization.

In July 2023, Depuracque servizi srl acquired 22% of the share capital.

During 2025, the company continued with its research activities, and participated in EU Calls for Proposals, for the purpose of improving the chemical treatment for the recovery of materials from decommissioned photovoltaic panels.

The following table summarizes the key figures regarding the investment in 9-Tech srl referring to 2025 (from the latest approved financial statements), compared with those of 2024:

(in thousands of euros)	2025	2024
statement of financial position data		
current assets	562	473
non-current assets	269	194
current liabilities	-195	-104
non-current liabilities	-155	-85
total net assets	**480**	**478**
statement of profit or loss data		
revenue	249	147
profit/(loss)	3	1
carrying amount of the investment	**251**	**252**

Vier scarl

This company was formed on March 1, 2011 from the transformation of the former Consorzio veneto riciclo, to which Veritas, on January 1, 2011, had transferred the business unit consisting of energy production from renewable sources and the related maintenance of networks and plants.

In 2020 Veritas spa sold 51% of its interest in the company, which is therefore no longer a subsidiary of Veritas and no longer under its management and coordination. Its ownership is now as follows: Veritas spa 49%, Atlantic1 srl 25.5%, Engie servizi spa 14.88%, Gpg srl 5.31% and Aiem srl 5.31%.

In 2020 the company became a limited liability consortium and took its current name Veneziana impianti energie rinnovabili – Vier scarl, adopting a consortium/cooperative structure and a new, expanded corporate purpose. The company's new sphere of operations includes the design, construction, management, operation, and ordinary and extraordinary maintenance of: electric and technological systems; heating and air conditioning systems; public lighting and traffic lights; firefighting systems; photovoltaic, solar thermal and cogeneration systems; remote control and remote management systems; and other similar systems.

In keeping with the medium/long-term objectives, additional progress was made in 2025 on some previously initiated projects regarding the public-private partnership for the energy efficiency of Veritas' sewage pumping stations ("S5/S6") and the Fusina purification plant. As part of this latest procedure, following the contracting authority’s expressed interest in the potential engineering, construction, and operation of a new sludge drying plant, and the consortium's positive response, an addendum was stipulated for agreement ref. n. 20843 dated April 7, 2024, resulting in a readjustment of the submitted financial plan and a modification/addition to the nature of the services to be performed, specifically the construction of the new drying plant and the replacement of the trigeneration unit having a planned capacity of 1 MW with a cogeneration unit with a capacity of 2 MW, all within a significantly more economical framework due to the value increase of the planned work and an extension of the contract term from 8 to 11.5 years.

The maintenance work on Actv's thermo-hydraulic systems was completed.

The 800 kWp photovoltaic plant started up in 2024 and built at Eco+Eco srl's manufacturing site in Fusina, continued to operate in 2025.

In addition, construction began on a photovoltaic plant commissioned by Eco+Eco, scheduled to be completed in the first half of 2026.

The following table presents the key figures for Vier Scarl:

(in thousands of euros)	2025	2024
statement of financial position data		
current assets	6,871	1,176
non-current assets	1,898	2,297
current liabilities	-6,600	-1,003
non-current liabilities	-1,126	-1,426
total net assets	**1,043**	**1,043**
statement of profit or loss data		
revenue	4,298	1,567
profit/(loss)	0	0
carrying amount of the investment	**506**	**506**

11. Other equity investments

The 2025 changes for the year in this item are shown in the table below.

investees	Dec. 31, 2024				changes for the year				Dec. 31, 2025			
company	% held	value	impair./ reval.	total	pur-chases/ loss cvg.	reclass.	dispos-als/ mergers	impair./ reval.	% held	value	impair./ reval.	total
Venis spa	5.00%	114		114					5.00%	114		114
Vega scarl	7.64%	259	-259	0					7.64%	259	-259	0
Viveracqua scarl	17.90%	50		50					17.90%	50		50
Consorzio Savo	(*)	2		2					(*)	2		2
Portogruaro interporto	3.23%	100		100					3.23%	100		100
Vegal - Agenzia di sviluppo del Veneto Orientale	(*)	1		1					(*)	1		1
Sibelco green solution (formerly Ecopatè)	0.00%	0		0					0.00%	0		0
CIC Consorzio italiano compostatori	(*)	3		3					(*)	3		3
Corepla	(*)	4		4					(*)	4		4
Bioman spa	1.86%	1,101		1,101					1.86%	1,101		1,101
Ciger. consorzio impianti gestione rifiuti	(*)	1		1					(*)	1		1
Ricrea Cna	(*)	0		0					(*)	0		0
Consorzio stabile Europe – Cse	(*)	5		5					(*)	5		5
Consorzio edili artigiani Ravenna – Cear	(*)	3		3					(*)	3		3
total other companies		**1,643**	**-259**	**1,384**						**1,643**	**-259**	**1,384**

(*) percentage of ownership in consortia deemed immaterial

The other equity investments amount to € 1,384 thousand and refer to non-controlling interests held by the parent company (€ 166 thousand), by Eco+Eco srl (€ 1,108 thousand), by Asvo spa (€ 101 thousand), by Depuracque servizi srl (€ 1 thousand) and by Euroscavi srl (€ 8 thousand).

Veritas spa holds equity investments in Venis spa (€ 114 thousand), in Vega scarl (€ 0, having been written down in full), in Viveracqua scarl (€ 50 thousand) and, from 2024, pursuant to the lease of the Asvo business unit, also in Consorzio S.a.v.o. (€ 2 thousand).

Venis spa and Vega scarl are subsidiaries of the Municipality of Venice.

Viveracqua is a consortium company owned by the Veneto Region's integrated water service operators. It has a cooperative purpose to create synergies among its member companies, including through the supply of services, such as the common procurement of works, services and supplies.

Asvo maintains its interest in Portogruaro Interporto (recognized as € 100 thousand).

Eco+Eco srl maintains its interest in Bioman (recognized as € 1,101 thousand).

In April 2024 the stake in Sibelco Green Solution srl owned by Eco+Eco was sold.

Within these Group investments, there are modest shares in various mandatory consortia for a total value of € 17 thousand.

12. Other financial assets

The following table presents the information on other the financial assets at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
security deposits	1,076	1,353
financial receivables due from other parties	4,909	4,617
other non-current receivables	3,924	1,273
total other financial assets	**9,909**	**7,243**

The total other financial assets increased by € 2,666 thousand.

The increase is due primarily to the recognition of a receivable, payable in installments, of € 2,960 thousand deriving from Eco+Eco's disposal of its stake in OMD srl.

The financial receivables due from other parties include the receivable due from the Metropolitan City of Venice, relating to the opening by former Alisea of an escrow account to guarantee the post-closure care of the Jesolo landfill, whose nominal amount of € 3,566 thousand was discounted to € 2,433 thousand.

The financial receivables due from other parties also include the credit enhancement portion of € 2,400 thousand, equal to 16% of the € 15,000 thousand bond ("hydrobond") issued by former Asi spa on July 24, 2014.

Pursuant to the contract stipulated, Asi undertook to pledge this amount to the special-purpose vehicle (Viveracqua Hydrobond 1 srl - VH1, which had securitized the bond notes issued); for this purpose, it paid a portion of the bond into an interest-bearing escrow account.

It enhances the credit to improve the risk profile of the bond issued, and can be enforced by VH1 in the event of default on the bonds.

The credit enhancement instrument can be released to the parent company from the date on which the outstanding principal due is 50% of the original principal.

13. Inventories

The following table presents the information on inventories at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
spare parts and consumables	9,002	8,435
fuel	575	379
inventories of work in progress and semi-finished products	10,705	4,938
inventories of goods intended for sale	413	416
advances to suppliers	12	367
inventory impairment provision	-502	-502
total inventories	**20,205**	**14,033**

Inventories consist mainly of spare parts to be used for the maintenance of water supply and sewage systems and waste treatment plants, as well as for the maintenance of the waste disposal plants owned by the Group.

Inventories are shown net of an inventory impairment provision recorded by the parent company to account for the obsolescence of some unusable spare parts.

The changes in the inventories of goods intended for sale are attributable to Metalrecycling.

14. Contract work in progress

The following table shows the information on the contract assets at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
gross amount due by customers for contract work in progress	23,981	20,137
advances received on contract work in progress	-19,462	-17,274
impairment provision for contract work in progress		
net amount of contract work in progress	**4,519**	**2,863**

The contract work in progress refers primarily to works and supplies commissioned by the Municipality of Venice and not yet completed by the end of the reporting period, largely concerning the integrated water service, land reclamation, cemetery operation, and public works.

At December 31, 2025, the contracts amounted to € 23,520 thousand, adjusted by advances of € 18,828 thousand.

For public works, the agreements with the Municipality of Venice normally provide for the recognition, as consideration for the work carried out, of merely the costs incurred.

The difference refers to Euroscavi srl's contracts in progress for pipe relining (with trenchless technology). At December 31, 2025, advances of € 633 thousand were recognized.

15. Trade receivables

The following table presents the information on the trade receivables at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
trade receivables	46,448	46,401
receivables due from IWS and WMS users	117,433	139,983
receivables due from related parties	363	252
receivables due from entities controlled by the Municipality of Venice	547	914
total nominal trade receivables	**164,791**	**187,550**
provision for doubtful debts - trade receivables	-7,459	-7,684
provision for doubtful debts - utilities	-41,325	-39,550
total provision for doubtful debts	**-48,784**	**-47,234**
total trade receivables	**116,007**	**140,316**

The trade receivables at December 31, 2025 amount to € 116,007 thousand (€ 140,316 thousand at December 31, 2024) and include the estimated consumption for the year regarding bills and invoices that will be issued after December 31, 2025. The amounts are stated net of a provision for doubtful debts of € 48,784 thousand (€ 47,234 thousand at December 31, 2024).

The total decrease from December 31, 2024 is € 24,309 thousand, attributable to reduced receivables of the parent company (€ 29,632 thousand).

The parent company's main changes are a decrease in receivables due for water rate adjustments (€ -26,456 thousand), a decrease in trade receivables (€ -5,249 thousand), an increase in receivables due for waste management rate adjustments (€ +4,260 thousand) and a writedown of receivables from water and Tarip bills (€ -1,956 thousand).

The receivables due from integrated waste service (IWS) users and waste management service (WMS) users of the Group (concerning Veritas and Asvo) consist of the following:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
invoiced receivables due from IWS and WMS users	72,511	72,472
receivables due from Tia1 users	7,453	8,145
receivables due from IWS and WMS users to be invoiced	22,410	22,110
receivables due from users for water rate adjustments	14,137	40,593
receivables due from users for environmental rate adjustments	922	-3,337
total receivables due from IWS and WMS users	**117,433**	**139,983**

With respect to the receivables due from the waste management service users, the ruling of the Civil Court of Cassation, in joint sections n. 5078/2016, definitively established the tax nature of the waste management services rate (Tia1).

Although the ruling did not affect the ownership of the Tia1 receivable, which remained with the Group companies, the risk of default did not remain with them, given the established tax nature of the rate.

In fact, the tax nature transferred the default risk to the municipalities; an amount for any credit losses is included in waste management financial plans formulated after the credit default is verified, net of any residual amounts for credit losses already included in the previous financial plans under the Tia1 regime.

The receivables due for Tia1 at December 31, 2025 amount to € 7,453 thousand; the remaining credit loss amounts already included in the former financial plans under the Tia1 regime at December 31, 2025 (recognized by the Group as a provision for doubtful debts) amount to € 1,081 thousand.

At December 31, 2025, the parent company's remaining receivables due from users for water rate adjustments amount to € 14,137 thousand and are broken down as follows:

description of adjustment	amount in k€	year billed	year adjusted	decision deed
former Asi 2010-2011 costs/revenues variance adjustments (normalized method)	-2,499	to be determined	2010-2011	East Veneto Basin Council meeting decision 4/2012 of Feb. 24, 2012
equalization adjustment to Vrg applied for 2022 (Vrg Mti3 and Mti4 adjustment)	5,451	2026	2022	Arera Resolution 46/2021/R/idr
equalization adjustment to Vrg applied for 2023 (Vrg Mti3 and Mti4 adjustment)	14,362	2026	2023	Arera Resolution 46/2021/R/idr
equalization adjustment to Vrg applied for 2024 (Vrg and Mti4 adjustment)	-22	2027	2024	Arera Resolution 14/2025/R/idr
equalization adjustment to Vrg applied for 2025 (Vrg and Mti4 adjustment)	-2,473	2027	2025	Arera Resolution 14/2025/R/idr
penalty recovery adjustment 2022-2023 Rqsii	-682	2026-2027	2022-2023	Arera Resolution 277/2025/R/idr
total receivables due for water rate adjustments	**14,137**			

The receivables due for waste management rate adjustments originate from the application of the new Mtr rate method established by Arera for the 2020 and 2021 rates, and from the Mtr-2 rate method for the 2022, 2023 and 2024 rates in the 2022-2025 regulatory period.

They refer only to municipalities using the punctual waste management rate (Tarip), invoiced directly by Veritas to the users, whereas for municipalities using the punctual waste management tax (Tari), and which are billed by Veritas for the waste management service, the adjustments are included in the receivables due from shareholders.

With respect to the 2020-2021over-cap adjustments, most of the adjustment components in determining the 2022-2025 financial plans, approved in April 2022 by the Basin Council, made it possible to enter in 2022 the related revenue and receivables, which however was followed by a writedown of the same amount because uncertainty remained due to the lack of Arera's approval in the investigative stage. The uncertainty was confirmed by Arera's partial approvals of the 2022-2025 financial plans in 2023, which reiterated the impossibility of automatically including such adjustments in future financial plans. Now that the adjustments have been recovered with the 2025 financial plan, the previous allocation of € 434 thousand to the provision for doubtful debts was reclassified to the provision for future risks and charges.

The amount of 2020-2021 over-cap adjustments, not shown as recovered in the 2022-2025 financial plans and thus still unrecognized in the financial statements, is € 136 thousand.

With respect to the over-cap adjustments regarding the 2022-2024 financial plans, even though the recovery of such components is guaranteed by the Mtr-2 rate method, which envisions including such adjustments in future financial plans without requiring additional approval from the authorities, those recoverable after the 2025 financial plan (the latest financial plan approved) were still written down because uncertainty about the recovery timing remained.

The total writedown of such adjustments at December 31, 2024 was € 6,651 thousand.

With the Venice Environment Basin Council's approval of the 2026–2029 financial plans with Resolution 5 of April 30, 2026, following the introduction of the new Mtr-3 method, some reasons for previous period writedowns no longer apply, since part of the adjustments written down has become recoverable in the 2026–2027 financial plans (while the amounts expected to be recovered in the 2028–2029 financial plans were not considered, as those financial plans will be updated in 2028). Accordingly, adjustments of € 3,237 thousand that had previously been written down were reversed this year.

The over-cap adjustments generated by the 2025 financial plans amount to € 2,349 thousand, of which € 338 thousand will be recovered in the 2026–2027 financial plans, thus the € 2,011 thousand difference was written down, while the other components of adjustments that will be recovered in the 2027 financial plan (inflation, WACC change and revenue variance) totaling € 470 thousand were fully accounted for as revenue this year.

Concerning the revenue variance before January 1, 2020 (pre-Mtr), the municipalities' establishment of the recovery methods and timing is pending.

The table below presents the remaining receivables due from users for waste management rate adjustments at December 31, 2025, totaling € 922 thousand:

(in thousands of euros)	amount in k€	year billed	decision deed
adjustments for pre-Mtr revenue variance at Dec. 31, 2019	-1,996	to be determined	
2020-2021 Mtr rate adjustments (over Cap)	707	2026 and afterward	Basin Council Resolutions 7/2022 of April 14, 2022, 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2022 Mtr rate adjustments (over Cap)	1,340	2026 and afterward	Basin Council Resolutions 7/2022 of April 14, 2022, 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2023 Mtr rate adjustments (over Cap)	1,276	2026 and afterward	Basin Council Resolutions 7/2022 of April 14, 2022, 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2024 Mtr rate adjustments (over Cap)	3,835	2026 and afterward	Basin Council Resolutions 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2024 Mtr (RC) rate adjustments	-1,042	2026	Basin Council Resolutions 5/2026 of April 30, 2026
2025 Mtr rate adjustments (over Cap)	2,349	2026 and afterward	Basin Council Resolutions 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2025 Mtr (RC) rate adjustments	470	2026-2027	Basin Council Resolution 5/2026 of April 30, 2026
2024 rate adjustments for recovery of Tia1 credit losses	43	2026	Basin Council Resolution 5/2026 of April 30, 2026
2025 rate adjustments for recovery of Tia1 credit losses	80	2027	Basin Council Resolution 5/2026 of April 30, 2026
total receivables for waste management rate adjustments	**7,062**		
provision for adjustment impairment	**-6,140**		
total receivables due for rate adjustments net of impairment	**922**		

The trade receivables do not bear interest and generally have a 60-day maturity.

Receivables due from IWS and WMS users do not bear interest until the established maturity, which is 30 days from the bill issuance date, whereas after the maturity date, interest on arrears accrues as per the regulations approved by the municipalities.

The receivables due from other related parties include receivables due from companies controlled by the shareholder entities.

The following table shows the changes in the provision for doubtful debts in each of the periods considered:

(in thousands of euros)	written down individually	written down collectively	total
at January 1, 2024	**2,996**	**36,263**	**39,259**
change in scope of consolidation		3,042	3,042
allocations	1,334	5,482	6,816
use	-72	-1,773	-1,845
increases, decreases and reversals	-20	-18	-38
at December 31, 2024	**4,238**	**42,996**	**47,234**
allocations	80	4,187	4,267
use	-185	-2,401	-2,586
increases, decreases and reversals	-63	-68	-131
at December 31, 2025	**4,070**	**44,714**	**48,784**

At December 31, 2025, the aging analysis of past-due but not impaired trade receivables is as follows:

			past-due but not impaired				
(in thousands of euros)	total	not past-due / performing	<30 days	30-60 days	60-90 days	90-120 days	>120 days
2025	**116,007**	78,768	6,975	5,636	2,674	2,509	19,445
2024	**140,316**	104,991	5,893	3,918	3,305	2,220	19,989

The bracket of receivables past-due by more than 120 days is attributable mainly to receivables from billing (Tia-Tarip-water rate).

16. Receivables due from shareholders

The following table presents the information on the receivables due from shareholders at December 31, 2025 and December 31, 2024:

(in thousands of euros)	**Dec. 31, 2025** due within 12 months	**Dec. 31, 2025** due after 12 months	**Dec. 31, 2024** due within 12 months	**Dec. 31, 2024** due after 12 months
receivables due from the Municipality of Venice	14,111		14,111	
receivables due from municipalities owning more than 10%				
receivables due from municipalities owning less than 10%	23,927		16,812	
total receivables due from shareholders	**38,038**		**30,923**	

The total receivables due from the municipalities rose by € 7,115 thousand.

Currently there are no shareholders whose ownership interest is more than 10% and less than 50%.

The receivables due from shareholders within 12 months include adjustments for the waste management rate (under the Tari regime) amounting to € 14,085 thousand, including € 5,567 thousand due from the Municipality of Venice and € 8,518 thousand due from other municipalities. They consist of:

(in thousands of euros)		amount in k€	year billed	decision deed
adjustments for pre-Mtr sales variance at Dec. 31, 2019	Veritas	-241	to be determined	
adjustments for pre-Mtr Tia1 recovery of receivables written off	Veritas	235	to be determined	
2022 Mtr rate adjustments (over Cap)	Veritas + Asvo	43	2026 and afterward	Basin Council Resolutions 7/2022 of April 14, 2022 and 4/2024 of April 9, 2024
2024 Mtr rate adjustments (over Cap)	Veritas	2,495	2026 and afterward	Basin Council Resolutions 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2024 Mtr rate adjustments (RC and Coal landfill)	Veritas + Asvo	2,504	2026	Basin Council Resolution 5/2026 of April 30, 2026
2025 Mtr rate adjustments (over Cap)	Veritas	2,057	2026 and afterward	Basin Council Resolutions 4/2024 of April 9, 2024 and 5/2025 of April 30, 2026
2025 Mtr rate adjustments (RC and Coal landfill)	Veritas + Asvo	6,260	2026-2027	Basin Council Resolution 5/2026 of April 30, 2026
adjustments for recovery of Tia1 receivables written off in 2021-2022	Veritas	1,547	to be determined	Municipality of Venice decision 3053 of Dec. 29, 2023
adjustments for recovery of Tia1 receivables written off in 2023	Veritas	1,116	to be determined	
adjustments for recovery of Tia1 receivables written off in 2024	Veritas	506	2026	Basin Council Resolution 5/2026 of April 30, 2026
adjustments for recovery of Tia1 receivables written off in 2025	Veritas	400	2027	Basin Council Resolution 5/2026 of April 30, 2026
total receivables for rate adjustments		**16,922**		
provision for adjustment impairment		**-2,837**		
total receivables due for rate adjustments net of impairment		**14,085**		

The receivables due for rate adjustments recoverable after one year are recognized as current assets as they are related to the normal course of business, in accordance with IAS 1, paragraph 68.

The previous Note explains the measurement of the adjustments.

The adjustment impairment refers to 2020-2021 over-cap adjustments (Mtr method) and to 2022-2025 over-cap adjustments (Mtr-2 method) that are not expected to be recovered in the 2026-2027 financial plans, for a total amount of € -2,837 thousand.

The receivables due from shareholders for 2020-2021 over-cap rate adjustments not recognized in the financial statements amount to € 675 thousand.

Below is a breakdown of the receivables due from the Municipality of Venice:

(in thousands of euros)	Dec. 31, 2025 due within 12 months	Dec. 31, 2025 due after 12 months	Dec. 31, 2024 due within 12 months	Dec. 31, 2024 due after 12 months
receivables due for service contracts, engineering work and other current types	6,527		6,183	
receivables due for invoices to be issued	1,475		538	
receivables due for IWS and WMS	-7		31	
receivables due for grants related to equipment	288			
receivables due for waste management rate adjustments	5,567		7,344	
sundry receivables	261		15	
total receivables due from the Municipality of Venice	**14,111**		**14,111**	

17. Receivables due from associates

The following table shows the breakdown of the receivables due from associates at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025 due within 12 months	Dec. 31, 2025 due after 12 months	Dec. 31, 2024 due within 12 months	Dec. 31, 2024 due after 12 months
Vier scarl	678	1,125	781	1,425
Bioenergie italiane srl (formerly Mia energia srl)	513		101	
total receivables due from associates	**1,191**	**1,125**	**882**	**1,425**

The receivables due from Vier after one year refer to a loan granted to the company when it was a subsidiary, originating partly from the transfer of the energy business unit.

18. Other receivables

The following table presents information on the other receivables due at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
grants receivable from public entities	2,057	3,776
VAT receivable from revenue agency	4,508	6,476
advances to suppliers and employees	2,368	2,549
receivables due from social security institutions	239	222
accrued income and prepaid expenses	6,613	5,533
sundry receivables	1,821	1,702
total other receivables	**17,606**	**20,258**

These receivables decreased by € 2,652 thousand from those of the prior year.

The grants receivable from public entities refer to grants for expenditures approved mainly by the Veneto Region but not yet given to the parent company; the amount fell by € 1,719 thousand from the previous year.

The decrease in receivables due from the revenue agency is attributable to Sifa.

The advances to suppliers refer primarily to the 20% advance payment on works, as required by public procurement regulations; these receivables due to the parent company rose by € 88 thousand.

The sundry receivables include the recognition of the € 750 thousand short-term portion of the receivable payable in installments deriving from Eco+Eco's disposal of its stake in OMD srl.

19. Current tax assets

The following table presents information on the current tax assets at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
corporate income tax (IRES) credits due within one year	3,907	87
IRES credits due after one year	1,971	2,805
regional business tax (IRAP) credit	969	169
other tax credits	1,787	1,426
total current tax assets	**8,634**	**4,487**

The IRES and IRAP credits correspond to the difference between the taxes due for the year and the taxes paid in advance.

With respect to IRES, Veritas and the subsidiaries participate in the national tax consolidation system; of those companies, only Veritas is responsible for paying IRES, since it is the parent company.

The IRES credits due after one year refer to portions of tax credits that can be offset against tax liabilities no earlier than December 31, 2026; they refer to the parent company's acquisition in 2024 of tax credits from Insula, a subsidiary of the Municipality of Venice.

20. Cash and cash equivalents

The following table presents the information on the cash and cash equivalents at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
cash and checks outstanding	24	18
bank deposits	135,903	103,252
total cash and cash equivalents	**135,927**	**103,270**

The cash deposits at banks accrue interest at variable rates based on the banks' daily deposit rates.

The bank and postal accounts classified as cash and cash equivalents are used in part for Tares and Tari collection.

The cash and cash equivalents increased by € 32,657 thousand from the previous annual reporting date.

The statement of cash flows presents the details of the changes in the cash and cash equivalents.

At December 31, 2025, the Group had undrawn credit lines amounting to approximately € 125,736 thousand, versus € 120,632 thousand at December 31, 2024.

21. Share capital and reserves

The following table presents the information on the share capital and reserves at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
share capital	145,397	145,397
legal reserve	6,315	5,693
own shares	-1	-1
other reserves	164,481	162,104
equity attr. to owners of the parent	**316,192**	**313,193**
capital and reserves attributable to non-controlling interests	28,157	33,827
total equity attributable to non-controlling interests	**28,157**	**33,827**
total equity	**344,349**	**347,020**

The parent company's share capital at December 31, 2025 is € 145,397 thousand and consists of 2,907,943 shares with a par value of € 50 per share. Of these, 8 shares, for a par value of € 400, are Veritas' own shares held for the purpose of possible future sales to the shareholder municipalities and other municipalities pursuant to business combinations planned and the awarding of services in other areas.

On November 17, 2025, Veritas purchased 42,938 treasury shares from shareholder municipalities for € 5,432 thousand, which later were sold, on November 25, 2025, to the Asvo shareholder municipalities, in exchange for the subsidiary's shares for the purpose of acquiring the remaining non-controlling interest. The treasury shares sold in the November 25 transaction were measured with the specific identification method, identified as the November 17 purchase cost, thus € 5,432 thousand.

The transaction changed the ownership percentage composition.

The legal reserve increased by € 622 thousand from the previous year as a result of the allocation of 5% of the 2024 profit. Since it has not reached the limit set by Civil Code Article 2430, the reserve is unavailable.

The other reserves include the non-distributable reserve for the New Investments Fund ("Foni") constraint in the amount of € 23,840 thousand consisting of:

- € 17,835 thousand from the allocation of the 2024 profit, as it is necessary to ensure the allocation constraint of water investments concerning the Foni component of the 2024 water rate (under art. 15.1 of Annex A of Aeegsi Resolution 639/2023/R/idr) through the allocation of a specific unavailable equity reserve; since the water investments subject to the 2024 rate allocation constraint have been made, the General Meeting can nullify the unavailability of the Foni part of the reserve when it approves the financial statements,
- € 6,005 thousand in 2016 to observe the five-year guarantee under Article 151, paragraph 5 of Legislative Decree 152/2006, which requires the water service operator to provide a guarantee covering the investments equal to 10% of the planned investments.

Furthermore, while approving the 2025 financial statements, the directors decided again this year to ensure the water investment allocation constraint for the Foni part of the 2025 rate, equal to € 19,040 thousand.

The other reserves rose by € 2,377 thousand due largely to the recognition of the Group's profit of € 11,861 thousand and the acquisition of Asvo's remaining quotas for € -13,718 thousand.

The parent company's cash flow hedge reserve relating to six derivative contracts, including one stipulated during the reporting period, with characteristics of interest rate risk hedges for bank loans, remained negative at € -195 thousand, but with a € 260 thousand improvement from the prior year. The reserve decreased by € 173 thousand for the derivatives of the subsidiary Eco+Eco after their characteristics as interest rate risk hedges was verified.

The non-controlling interests in equity represent the share capital, reserves and net profit of external shareholders present in subsidiaries Eco+Eco srl, Asvo spa, Consorzio bonifica e riconversione produttiva Fusina, Metalrecycling srl, Rive srl, Ecodistretto trasporti scarl, Veritas Conegliano srl, Sifa scpa and Ecodistretto RE srl. At December 31, 2025, they amounted to € 28,157 thousand; the loss attributable to non-controlling interests is € 1,171 thousand.

22. Non-current and current financial liabilities

The non-current and current financial liabilities amount to € 320,537 thousand (of which € 273,026 thousand matures after one year and € 47,511 thousand within one year), up by € 54,291 thousand from the previous year.

The part relating only to loans is € 320,316 thousand. The table below presents the information at December 31, 2025:

(in thousands of euros)	date granted	original amount	interest rate	maturity	remaining balance at Dec. 31, 2025	of which short-term	of which long-term
**	May 6, 2015	30,000	fixed 0.68%	May 6, 2030	12,062	2,683	9,379
**	Sept. 19, 2016	20,000	fixed 0.61%	Sept. 19, 2031	10,676	1,811	8,865
	Jan. 14, 2020	15,000	1m Euribor + 2.50%	Feb. 1, 2027	2,691	2,303	388
	May 31, 2021	15,000	fixed 2.45%	June 30, 2027	3,953	2,618	1,335
**	Sept. 28, 2021	10,000	3m Euribor + 1.70%	June 30, 2027	3,006	2,008	998
	Oct. 26, 2021	10,000	fixed 1.50%	March 31, 2029	4,638	1,430	3,208
	Nov. 2, 2021	7,000	3m Euribor + 1.56%	Sept. 30, 2026	1,120	1,120	0
**	June 29, 2022	10,000	3m Euribor + 1.85%	March 31, 2028	4,310	1,925	2,385
**	Aug. 8, 2022	30,000	fixed 3.20%	Aug. 8, 2037	30,327	373	29,954
**	Feb. 17, 2023	20,000	fixed 4.31%	Feb. 17, 2038	20,319	319	20,000
	Feb. 20, 2023	10,000	fixed 5.26%	March 1, 2033	7,727	922	6,805
**	Aug. 8, 2023	12,000	6m Euribor + 2.60%	July 20, 2030	9,288	2,022	7,266
**	Aug. 8, 2023	25,000	6m Euribor + 3.05%	July 20, 2033	25,188	2,280	22,908
	Nov. 22, 2023	10,000	fixed 4.40%	Sept. 30, 2030	7,397	1,632	5,765
**	June 20, 2024	10,000	3m Euribor + 3.10%	June 30, 2031	10,097	1,939	8,158
**	June 28, 2024	10,000	fixed 4.80%	June 30, 2031	8,122	1,322	6,800
**	Dec. 14, 2024	20,000	3m Euribor + 1.95%	Dec. 31, 2031	18,242	3,014	15,228
(a)	Feb. 7, 2025	15,000	fixed 4.32%	March 1, 2035	14,030	1,334	12,696
(b)	June 19, 2025	10,000	3m Euribor + 1.70%	March 31, 2033	9,965	1,371	8,594
(c)**	June 24, 2025	20,000	3m Euribor + 2.20%	June 30, 2035	18,997	1,910	17,087
(d)**	July 31, 2025	10,000	3m Euribor + 1.72%	June 30, 2033	9,973	708	9,265
(e)**	Dec. 11, 2025	20,000	fixed 4.32%	Dec. 31, 2035	20,000	0	20,000
(f)**	Dec. 22, 2025	40,000	3m Euribor + 1.98%	Dec. 31, 2035	19,566	-228	19,794
**	Dec. 17, 2020	8,000	3m Euribor + 2.10%	April 30, 2028	2,975	1,167	1,808
**	Feb. 22, 2021	6,000	3m Euribor + 2.80%	Dec. 31, 2026	1,261	1,261	0
	June 28, 2021	2,000	6m Euribor + 2.10%	June 30, 2026	220	220	0
	July 12, 2021	2,000	fixed 3.00%	June 30, 2027	599	399	200
	Nov. 8, 2021	3,000	12m Euribor + 2.60%	Oct. 29, 2026	555	555	0
	Dec. 20, 2023	10,000	fixed 3.92%	Sept. 30, 2029	7,497	2,005	5,492
**	June 19, 2024	10,000	fixed 6.5%	June 30, 2031	9,966	1,808	8,158
**	July 19, 2024	15,000	3m Euribor + 2.25%	Sept. 30, 2031	14,148	2,432	11,716
g)	Sept. 10, 2025	5,000	3m Euribor + 2.97%	Sept. 30, 2031	4,930	230	4,700
**	May 29, 2020	6,200	3m Euribor + 2.75%	March 31, 2026	2,986	747	2,239
	Jan. 26, 2023	7,600	3m Euribor + 2.75%	Dec. 31, 2029	2,081	520	1,561
**	Oct. 25, 2018	3,000	fixed 3.48%	June 30, 2027	809	535	274
	May 25, 2011	5,000	fixed 5.13%	July 31, 2026	274	274	0
**	July 30, 2018	3,000	3m Euribor + 3%	June 30, 2026	321	321	0
total medium/long-term loans					**320,316**	**47,290**	**273,026**
less current portion					-47,290		
m/l-term loans - non-current portion					**273,026**		

For the financial management process, it was necessary to renew the maturing loans and keep the Group's liquidity high in order to satisfy the current working capital requirements and make the investments.

During 2025, the following unsecured loans were taken out:

a) € 15,000 thousand loan stipulated on February 7, 2025 by Veritas spa with Banca popolare di Sondrio spa. The loan, which matures on March 1, 2035, requires monthly repayments at a fixed rate of 4.32%; repayment commenced on April 1, 2025;

b) € 10,000 thousand loan stipulated on June 19, 2025 by Veritas spa with Credem spa. The loan, which matures on March 31, 2033, requires quarterly repayments at the variable rate of the 3M Euribor + 1.70% spread; repayment will commence on March 31, 2026;

c) € 20,000 thousand loan stipulated on June 24, 2025 by Veritas spa with Bper banca spa. The loan, which matures on June 30, 2035, requires quarterly repayments at a variable 3M Euribor rate + 2.20% spread; repayment commenced on September 30, 2025;

d) € 10,000 thousand loan stipulated on July 31, 2025 by Veritas spa with Cassa centrale Banca. The loan, which matures on June 30, 2033, requires quarterly repayments at a variable 3M Euribor rate + 1.72% spread; repayment will commence on September 30, 2026;

e) € 20,000 thousand loan stipulated on December 3, 2025 by Veritas spa with Cassa depositi e prestiti, granted in two tranches. The loan, which matures on December 31, 2035, requires quarterly repayments at a fixed rate of 4.32%; repayment will commence on March 31, 2027;

f) € 40,000 thousand loan stipulated on December 15, 2025 by Veritas spa with Banca nazionale del lavoro spa and Banco popolare di Milano spa, granted in two tranches: the first one of € 20,000 thousand was given on December 22, 2025 and the second one of € 20,000 thousand was given on February 2, 2026. The loan, which matures on December 31, 2035, requires quarterly repayments at a variable 3M Euribor rate + 1.98% spread; repayment will commence on March 31, 2027;

g) € 5,000 thousand loan stipulated on September 10, 2025 by Eco+Eco with Cherry Bank spa backed by a Sace guarantee. The loan, which matures on September 30, 2031, requires quarterly repayments at the variable rate of the 3m Euribor + 2.97% spread; repayment will commence on December 31, 2026.

Certain long-term loans taken out over the years by the Group (marked ** in the table) contain contractual clauses (covenants) that require compliance with specified financial parameters based on the results of the consolidated and/or separate financial statements at December 31 of each year.

In the event of non-compliance, the banks could exercise their right to demand early repayment of the remaining balance on the loans granted.

According to the consolidated and separate financial statements at December 31, 2025, the parent company and other Group companies complied with the loan covenants.

There are no longer any loans backed by mortgages on properties.

At December 31, 2025, the maturities of the long-term loans by period are as follows:

(in thousands of euros)	Dec. 31, 2025
December 31, 2026	47,290
December 31, 2027	48,291
December 31, 2028	44,119
December 31, 2029	41,818
December 31, 2030	37,323
after 2030	101,476
total long-term loans	**320,316**

The following table shows the breakdown of bank borrowings and the current portion of long-term loans due at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
current portion of long-term loans	47,290	48,337
bank account overdrafts	144	944
other bank borrowings	77	
total bank borrowings and current portion of long-term loans	**47,511**	**49,281**

The bank account overdrafts refer to the overdrafts at the reporting date. They are not secured by collateral or personal guarantees and they accrue interest at variable interest rates.

23. Financial liabilities from other lenders

The financing from other lenders amounts to € 211,353 thousand, of which € 173,871 thousand is long-term and € 37,482 thousand short-term. It increased by € 22,211 thousand since the previous year.

The item consists of:

- bonds for € 130,712 thousand (including € 5,917 thousand short-term) concerning the parent company;
- finance lease liabilities of € 21,200 thousand (including € 1,338 thousand short-term);
- operating lease liabilities (IFRS 16) of € 16,143 thousand (including € 3,493 thousand short-term). They include lease payments of € 733 thousand (including € 258 thousand short-term) due to other related parties and € 300 thousand (including € 56 thousand short-term) due to subsidiaries of the Municipality of Venice and other municipalities;
- other financing of € 43,298 thousand (including € 26,734 thousand short-term) referring to loans to subsidiaries from other non-Group shareholders and, for the short-term portion, to Eco+Eco's factoring of trade receivables due from Veritas and third parties.

The bond payables, recognized at amortized cost using the effective interest rate method, relate to the following:

1. € 8,362 thousand to the bond notes issued by former Asi in July 2014 (the "Hydrobond") for a nominal amount of € 15,000 thousand on the Italian *ExtraMot Pro* market;
2. € 100,029 thousand to the bond notes issued by Veritas in December 2020 for a nominal amount of € 100,000 thousand on the Irish Stock Exchange (*Euronext Dublin* - ISE);
3. € 22,322 thousand to the bond notes issued by Veritas in December 2021 for a nominal amount of € 25,000 thousand for private subscription by professional investors.

The € 15,000 thousand Hydrobond has the following characteristics:

- 20-year duration with maturity in July 2034;
- nominal amount to be redeemed in € 375 thousand portions from January 2017 to December 2024; from January 2025 the nominal amount of the semiannual portions is € 450 thousand. Accordingly, principal of € 900 thousand was redeemed in 2025;
- issued as part of a project involving the member companies of Viveracqua, with two issuance phases (the Asi one is part of the first issuance), for a total amount of € 227,000 thousand: the Hydrobonds issued by the Viveracqua companies were placed by a special purpose vehicle (Viveracqua Hydrobond 1 - VH1); 97.2% of them were subscribed to by the European Investment Bank (EIB) and the remaining 2.8% by other institutional investors;

- the bond notes accrue simple interest of 4.2% paid to VH1, which then pays 3.9% interest to the underwriters; there is a reconveyance of the 0.3% interest paid by VH1 and the 1.5% interest paid by the second issuers, as the latter obtained a lower interest payment than that of the first issuers;
- a credit enhancement of € 2,400 thousand was established and deposited in an escrow account; the interest accruing on such amounts is to be used as a priority to pay the transaction costs (see the section on other financial assets);
- compliance is required with the following loan covenants for the European Investment Bank:

  EBITDA/finance costs > 3.5

  Net debt/EBITDA <= 5

  The covenants are reviewed every six months on the basis of the consolidated financial statement results. At December 31, 2025, the covenants were complied with.

The € 100,000 thousand bond issued in 2020 has the following characteristics:

- nominal amount to be redeemed with a € 100,000 thousand bullet payment at maturity;
- placed in December 2020 on the Irish Stock Exchange (*Euronext Dublin*) and subscribed to by qualified investors;
- duration of 7 years with maturity in December 2027;
- annual deferred coupon payments in December of each year at a nominal interest rate of 3.25%, subject to a possible increase (step-up) of 0.10% per annum concerning any of the interest periods from 2024 to 2027 if the company fails to achieve a rating or environmental, social and governance (ESG) score of a predetermined level;
- beginning November 2024, every year the ESG score or rating must be any one of the following ESG ratings:

  for EcoVadis, a sustainability rating of Gold or better;

  for ISS, a corporate ESG rating of C+ or higher; or

  in the case of Sustainalytics, an ESG risk rating of 25 or less;
- compliance with the following loan covenants:

  net debt/equity <= 2

  net debt/EBITDA <= 5

  The covenants are reviewed annually based on the consolidated financial statement results. At December 31, 2025, the covenants were complied with.

The € 25,000 thousand bond issued in December 2021 has the following characteristics:

- 17-year duration with maturity in December 2038;
- a nominal amount to be redeemed in semiannual payments of € 860 thousand from December 31, 2024; therefore, principal of € 1,720 thousand was redeemed in 2025;
- private placement with unlisted professional infrastructure investors;
- semi-annual deferred coupon payments in June and December of each year at a nominal interest rate of 3.35%;
- compliance with the following loan covenants:

  net debt/equity <= 2

  net debt/total fixed assets <= 60%.

  The covenants are reviewed annually based on the consolidated financial statement results.

At December 31, 2025, the covenants were met.

The parent company's finance lease liabilities refer to:

- a finance lease stipulated in 2023 for the new "Cdo3" business management center built with the "leasing while building" formula within a public-private partnership ("PPP"), in which the new chemical laboratory of the integrated water service is located. The remaining balance at December 31, 2025 is € 12,887 thousand (of which € 323 thousand short-term);
- a finance lease stipulated in the period for a new training center built with the "leasing while building" formula within a public-private partnership. The remaining balance at December 31, 2025 is € 3,948 thousand (of which € 101 thousand short-term);
- a lease stipulated with Bioman for the biomethane plant located in Fusina. The remaining balance at December 31, 2025 is € 595 thousand (of which € 65 thousand short-term).

The finance lease liabilities of the Group's subsidiaries are detailed in the following table:

(in thousands0 of euros)	date granted	original amount	interest rate	end date	future lease payments due at Dec. 31, 2025	of which short-term	of which long-term
De Lage Landen	Dec. 17, 2020	300	2.63%	2026	3	3	0
De Lage Landen	Sept. 29, 2021	268	2.63%	2026	39	39	0
Bnp paribas	Aug. 1, 2024	35.8	6.00%	2031	30	5	25
Bnp paribas	Sept. 1, 2024	267.9	6.00%	2031	225	34	191
Bnp paribas	Aug. 1, 2024	82.226	6.00%	2031	68	11	57
Bnp paribas	Aug. 1, 2024	242.05	6.01%	2031	201	31	170
Bnp paribas	Oct. 1, 2024	33.2	6.01%	2031	28	4	24
Bnp paribas	Feb. 1, 2025	167.6	6.00%	2032	150	21	129
Bnp paribas	March 1, 2025	247	4.92%	2032	222	31	191
Bnp paribas	Feb. 1, 2025	213	4.92%	2032	189	27	162
Bnp paribas	Feb. 1, 2025	145.5	4.92%	2032	129	19	110
MGF	June 23, 2025	345	4.86%	2030	284	58	226
Bnp paribas	Dec. 24, 2020	68	2.20%	2026	1	1	0
Bnp paribas	March 18, 2021	124	2.02%	2026	5	5	0
Komatsu	March 26, 2021	159.4	1.51%	2026	9	9	0
MGF	May 30, 2025	305	4.86%	2030	246	52	194
Banca Ifis	July 1, 2025	280	4.99%	2030	237	47	190
Banca Ifis	July 1, 2025	245	4.99%	2030	211	41	170
Banca Ifis	July 1, 2025	340	4.99%	2030	288	56	232
Banca Ifis	July 29, 2025	280	4.85%	2030	244	46	198
Banca Ifis	Sept. 23, 2025	65.312	4.84%	2030	57	9	48
Banca Ifis	Oct. 13, 2025	94.5	4.80%	2030	85	16	69
Banca Ifis	Oct. 13, 2025	94.5	5.00%	2030	84	16	68
BCC leasing	April 23, 2010	1173	3.00%	2028	378	58	320
Fraer leasing	March 8, 2021	166	2.00%	2026	9	9	0
Claris leasing	March 2, 2023	63.6	4.00%	2028	26	10	16
Claris leasing	March 31, 2023	20.164	5.00%	2026	1	1	0
Fraer leasing	March 6, 2023	110	5.00%	2027	37	21	16
Claris leasing	March 14, 2024	466	6.00%	2027	170	131	39
Cat financial	Dec. 20, 2024	190	0.00%	2028	114	38	76
total leases		**6,592**			**3,770**	**849**	**2,921**

The operating lease liabilities are detailed in the following table:

(in thousands of euros)	Interest rate	end date	future lease payments due at Dec. 31, 2025	of which short-term	of which long-term
Veritas spa	1.11% – 5.49%	2024-2038	8,535	1,886	6,649
Depuracque servizi srl	2.66% – 4.85%	2026-2032	433	160	273
Lecher ricerche e analisi srl	2.60% – 5.39%	2026-2028	41	24	17
Rive recuperi industriali Venezia srl	3.20%	2028	18	7	11
Eco+Eco srl	2.60% – 5.39%	2026-2038	6,089	1,020	5,069
Metalrecycling Venice srl	0.0467	2026-2029	934	372	562
Sifa scpa	3.00%	2026	93	24	69
total			**16,143**	**3,493**	**12,650**

The operating lease liabilities recognized in accordance with IFRS 16 increased by € 7,265 thousand from the prior year.

When operating leases are stipulated with related parties, the related payables are recognized in the respective item referring to those related parties.

The other financing amounts to € 43,298 thousand, and € 12,327 thousand refers to the amount due by the parent company to Veneto Acque, an in-house company of the Region of Veneto, for the acquisition of two business units regarding the Savec – East infrastructure.

Both payables present the following characteristics:

- March 31, 2038 maturity;
- 35 semiannual payments starting from March 31, 2021;
- an internal rate of return (IRR) of 3.57% and 3.65%.

The other financing includes € 18,493 thousand regarding Eco+Eco's assignment to a factoring company of trade receivables due from Veritas and a € 5 thousand loan stipulated by Eco+Eco.

24. Provisions for risks and charges

The table below presents the changes in the provisions for risks and charges at December 31, 2025 and December 31, 2024:

(in thousands of euros)	prov. for post-closure care of Centa Taglio landfill	prov. for post-closure care of Piave Nuovo landfill	prov. for post-closure care of Centa Taglio landfill	provision for lawsuits	other provisions for risks and charges	total
at December 31, 2023	**0**	**23,704**	**8,931**	**4,000**	**17,356**	**53,991**
business combinations and change in scope of consolidation					5,745	5,745
allocations		1,110	738	276	8,123	10,247
other changes		-4,954	468		-803	-5,288
use			-424	-279	-2,426	-3,129
at December 31, 2024	**0**	**19,860**	**9,713**	**3,997**	**27,995**	**61,566**
business combinations and change in scope of consolidation						
allocations		814			6,921	7,735
other changes		-1,237	398	-1,658	-809	-3,306
use			-546	-284	-3,155	-3,985
at December 31, 2025	**0**	**19,437**	**9,565**	**2,056**	**30,952**	**62,010**

The provisions for risks and charges increased by € 444 thousand, from € 61,566 thousand at December 31, 2024 to € 62,010 thousand at December 31, 2025.

The nature of the largest provisions is briefly described below.

Provisions for post-closure care of landfills

Ca' Rossa landfill in Chioggia (Venice)

The remaining portion of the provision was used in 2023, so the amount is zero.

The shutdown activities initiated in 2011 continued during the year following the physical exhaustion of the waste disposal capacity.

Due to the new geotechnical conditions of the landfill demonstrated by the studies initiated in 2008 (required in part for renewal of the waste management permit), the new rules for the financial guarantee issued by the Region in 2012, and the outcome of the studies carried out at the University of Padua showing the need to reduce the level of leachate in the landfill to prevent environmental pollution, in 2012 the company started to update the cost estimates for the closure and post-closure care of the Ca' Rossa landfill.

These preliminary estimates suggested potential additional charges, for both new work to be carried out and updated post-closure costs, of € 9.3 million.

With Resolution 62 of June 27, 2013, the Chioggia City Council had recognized these additional charges through the inclusion of a specific item in the waste management service financial plans related to setting the Tares/Tari rate for all the years of post-closure care, starting in 2014.

The inclusion of these costs in the calculation of the waste management rates or fees thus made it unnecessary to supplement the provisions for rehabilitation of the area.

From 2015 to 2021, the 30-year plan for covering both the post-closure costs and the works needed to close the landfill was then amended through various agreements between Veritas and the Municipality, but only with regard to how the fee was paid, as it was received as a capital grant, leaving unchanged the assurance of full coverage of the costs over the 30 years. With the 2022 approval of the 2022-2025 waste management service financial plans by the Venice Environment Basin Council, the ordinary recovered post-closure costs were included in the Municipality of Chioggia's financial plans in implementation of its Resolution 62 of June 27, 2013.

In addition, since 2022 the estimates of post-closure costs have been newly revised to reflect the increased leachate disposal costs under the recent regional directives on PFAS levels, as well as the higher price of the materials needed to complete the safety works.

These additional potential expenses amount to € 11.8 million:

- € 1.1 million for closure works;
- € 1.4 million for operating expenses (excluding leachate);
- € 9.2 million for leachate treatment and disposal.

These, too, can be recovered within the rate in future waste management service financial plans at the time the costs are incurred, as provided for under the Mtr-2 rate method; specifically, Annex A, Article 11.3 of Resolution 363/2021/R/rif states that "the local entity can include in recognized costs any costs for the post-operational management and closure of authorized landfills if the resources allocated in accordance with applicable law are insufficient to ensure the environmental restoration of the landfill site", confirmed by the new Mtr-3 rate method in effect for 2026 - 2029.

In this case as well, the inclusion of these costs in the calculation of the waste management rates or fees made it unnecessary to supplement the provisions for rehabilitation of the area.

With the Venice Environment Basin Council's approval of the updated 2024-2025 financial plans, the Municipality of Chioggia added in the 2025 financial plan the 2023 landfill costs not covered by the post-closure provision or by the amounts paid by the Municipality of Chioggia to implement Resolution 62 of 2013, for an amount of € 334 thousand, which considers the landfill capping works amortized in 7 years.

The landfill costs of € 1,090 thousand incurred in 2024 and € 1,399 thousand in 2025 that are not covered by the post-closure provision nor by Resolution 62 of 2013 were included in the 2026 - 2027 financial plans approved by the Venice Environment Basin Council with Resolution 5 of April 30, 2026, applying the new Mti-3 rate method.

The aforementioned Resolution 62/2013 components of the Municipality of Chioggia were included in the 2026 - 2027 financial plans.

Piave Nuovo landfill in Jesolo (Venice)

This provision covers the future charges (discounted to present value) that the company will incur both for the post-closure care and capping of the Jesolo landfill, calculated on the basis of expert appraisal.

The provision was recalculated following the approval on December 9, 2019 by the Metropolitan City of Venice of a planned variant that increases the authorized disposal quantities, but reschedules the end date from 2030 to 2027.

With the revision of cost estimates to reflect the increased leachate disposal costs under the regional directives on PFAS levels, as well as the new estimate of cash flows to be absorbed by capping, in 2022 the provision was again recalculated and increased by € 4,508 thousand.

The new total costs are € 28,496 thousand, discounted at December 31, 2025 to € 19,437 thousand with the recognition of finance costs of € 814 thousand and a discounting adjustment of € -1,237 thousand, based on the updating of the payment schedule for such post-closure costs.

Centa Taglio landfill in Portogruaro (Venice)

This provision covers the estimated charge based on an annual expert appraisal. It takes into account the environmental restoration of lots 0, 1 and 2 and the post-closure costs of lots 1 and 2.

The capping works for lots 1 and 2 of the Centa Taglio landfill in Portogruaro passed inspection in 2021, and the post-closure period began at the end of November 2021, to conclude in 2051.

The provision is discounted to present value on the basis of expected use, whose forecast is updated annually. The changes include € +398 thousand for the recognition of the discounting finance costs.

Provision for lawsuits

The provision for lawsuits refers to the parent company and amounts to € 2,056 thousand at December 31, 2025; it consists of allocations to cover pending lawsuits with personnel and third parties, principally users disputing VAT charges on Tia. Most of these cases should conclude within the next few years.

Other provisions for risks and charges

The table below shows the changes in other provisions for risks and charges at December 31, 2025 and December 31, 2024:

(in thousands of euros)	prov. for hidden water leaks	prov. for sludge awaiting disposal	prov. for tax audits	prov. for future conc. fees	prov. for future damages and deductibles	prov for future San Liberale costs	prov. for water quality fines	prov. for costs to finish Jesolo landfill	prov. for personnel costs	Other prov. for minor future risks and charges	total
at December 31, 2023	**6,915**	**2,608**	**430**	**491**	**216**	**91**	**1,185**	**4,197**	**29**	**1,194**	**17,356**
incr. for business comb.										5,745	5,745
allocations		3,448	2,027	228	115		151	1,146		1,008	8,123
other changes	-638									-165	-803
use		-1,312		-61	-115	-1			-18	-919	-2,426
at December 31, 2024	**6,277**	**4,744**	**2,457**	**658**	**216**	**90**	**1,336**	**5,343**	**11**	**6,863**	**27,995**
incr. for business comb.											0
allocations		2,000		78	107		42	377	31	4,286	6,921
other changes	-944	-494	-250				-234			1,113	-809
use		-1,956	-106	-91	-108	-1				-893	-3,155
at December 31, 2025	**5,333**	**4,294**	**2,101**	**645**	**215**	**89**	**1,144**	**5,720**	**42**	**11,369**	**30,952**

Other provisions for risks and charges concern mostly the parent company. The largest of these are described hereunder.

Provision for hidden water leaks

These are the total amounts (net of use) charged for voluntary participation to the water service users, which can be credited to those users in the event of an anomalous leak in their water system after the meter.

The provision and the methods of using it are governed by regulations approved by the Venice Lagoon Basin Council.

At December 31, 2025 the provision amounted to € 5,333 thousand.

Provision for sludge awaiting disposal

The allocation to this provision refers to future costs for the disposal of sludge produced this year by purification plants and not yet disposed of. While awaiting disposal, the sludge is stored in the 23-hectare area managed by Veritas since July 2021.

At December 31, 2025 the provision amounted to € 4,294 thousand.

Provision for tax audits

With a balance of € 2,101 thousand at December 31, 2025, this refers to tax or similar audits that have been finalized or are being finalized, including those the Group has contested. They mostly relate to the ICI and IMU property taxes.

25. Retirement benefit obligations

The following table shows the changes in the retirement benefit obligations at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
present value of the obligations at beginning of period	19,431	19,849
effect of transfers (obligations assigned/acquired)		
cost related to current service	349	355
interest cost	355	400
benefits paid	-1,408	-1,529
other changes	43	79
actuarial loss/(gain) on the obligations	11	277
present value of the obligations at end of period	**18,781**	**19,431**

In accordance with IAS 19, the retirement benefit obligations accrued by the parent company and the largest Group companies up to December 31, 2006 are considered a defined benefit obligation where the liability is measured with actuarial methods.

The obligation accrued since January 1, 2007 is included in the category of defined contribution plans, both in the case of the option for supplementary pension plans and of assignment to the Treasury Fund at the Italian Social Security Institute (INPS). The accounting treatment of this post-employment benefit was thus assimilated to that in place for other types of contribution payments.

According to the current version of IAS 19, actuarial gains and losses are recognized directly in other comprehensive income among *other components*, and in a specific equity reserve (net of tax).

The main assumptions used to determine the present value of retirement benefit obligations are presented below:

	2025	2024
discount rate at beginning of year	2.84% - 3.34%	2.65% - 3.15%
expected salary increase rate	3% - 4.5%	3% - 4.5%
expected employee turnover rate	8.38%	8.84%
expected average remaining length of service of employees	12	11

In preparing the retirement benefit obligations at December 31, 2025 and updating the technical bases, the appointed independent actuary took into account the Group's information available from 2003 to the present. The rate curve chosen is the Europe Corporate AAA+, AAA, AAA- Yield Curve-EUR. The curve values were updated to December 31, 2025.

Compared to the amounts at December 31, 2024, all the durations decreased, and an analysis of the actuarial losses shows that the most significant component refers to the change in financial assumptions, as a result of the updated discount rates at the measurement date.

26. Payables due to shareholders

The following table shows the information on the amounts due to shareholders at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025 due within 12 months	Dec. 31, 2025 due after 12 months	Dec. 31, 2024 due within 12 months	Dec. 31, 2024 due after 12 months
payables due to the Municipality of Venice	71,486	5,095	67,343	7,558
payables due to municipalities owning more than 10%				
payables due to municipalities owning less than 10%	60,733	3,435	38,836	3,920
total payables due to shareholders	**132,219**	**8,530**	**106,179**	**11,478**

Currently there are no shareholders whose ownership interest is more than 10% and less than 50%.

The total payables due to the shareholder municipalities increased by € 23,092 thousand; the payables due within one year rose by € 26,040 thousand while those due after one year fell by € 2,948 thousand.

The change in the amount due within one year concerns mainly the increase in Tares and Tari collection payables.

Overall, the payables due to shareholders for the Tari and Tares taxes collected, including the Tefa provincial surcharge and other related items, and not yet reversed to the municipalities, amount to € 118,106 thousand (€ 94,104 thousand in 2024).

The payables due after 12 months refer primarily to operating leases.

The total payables deriving from the application of IFRS 16 (on leases) is € 6,513 thousand (of which € 464 thousand short-term). The right-of-use asset underlying such liability refers largely to work carried out by municipalities for the integrated water service, for which the parent company, Veritas pays the municipalities for the installments on the loans taken out for that purpose. The useful life of the rights is estimated to end in 2038, when the integrated water service contract deliberated by the Venice Lagoon Basin Council is due to expire.

Details of the payables due to the Municipality of Venice are shown below:

(in thousands of euros)	Dec. 31, 2025 due within 12 months	Dec. 31, 2025 due after 12 months	Dec. 31, 2024 due within 12 months	Dec. 31, 2024 due after 12 months
payables due for cemetery concessions	925		632	
liabilities for contract work in progress	1,626		2,128	
payables due under Law 206/95	4,039		4,104	
payables due for Tari/Tares/Tefa/UR collection	63,152		58,727	
operating lease liabilities	35	2,974	83	3,818
sundry payables	1,709	2,121	1,669	3,740
total payables due to the Municipality of Venice	**71,486**	**5,095**	**67,343**	**7,558**

The contract liabilities include the advances received by Veritas for the performance of work and supplies commissioned by the Municipality of Venice (€ 20,624 thousand) net of the work already carried out (€ 18,998 thousand), and they refer almost entirely to contracts for public works.

27. Payables due to associates

The following table shows the information on the payables due to associates at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025 due within 12 months	Dec. 31, 2025 due after 12 months	Dec. 31, 2024 due within 12 months	Dec. 31, 2024 due after 12 months
payables due to Vier scarl	2,619		174	
payables due to OMD srl			8,081	
payables due to Bioenergie italiane srl (formerly Mia energia srl)	526		221	
payables due to 9-Tech srl	40			
total payables due to associates	**3,185**		**8,476**	

The item shows a total decrease of € 5,291 thousand resulting primarily from the reclassification of the payables due to OMD from payables due to associates to payables due to external suppliers (€ -8,080 thousand) and the increase in amounts due to Vier (€ +2,445 thousand).

28. Other non-current liabilities

The following table presents the information on the other current liabilities at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
security deposits from customers - IWS	10,284	10,372
advances on consumption	202	202
payables due to social security institutions - non-current portion		377
sundry payables due to entities under common control	1,042	2,083
sundry non-current payables	14,461	23,917
total other non-current liabilities	**25,989**	**36,951**

This item includes the security deposits for utilities relating to the integrated water service and advances on consumption. Security deposits for the integrated waste service utilities accrue interest, pursuant to Aeegsi Resolution 86/2013/R/idr, which established the application of legal interest when the contract is terminated or when the deposit is returned.

The sundry payables due to entities under common control refer to the remaining payable to Insula for the purchase of tax credits, since the amount owed to Insula is paid only after the tax credit installment is recovered from the tax authorities.

The parent company entered € 5,501 thousand among the other non-current payables for grants for equipment requested or already received in advance for works yet to be carried out, and € 3,994 thousand due to Mantovani for the acquisition of Sifa's financial receivables.

29. Trade payables

The following table presents the information on the trade payables at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
trade payables	146,469	129,357
payables due to related parties	3,797	2,571
payables due to entities controlled by the Municipality of Venice	97	86
total trade payables	**150,363**	**132,014**

The trade payables do not normally produce interest and are generally settled within 60 to 150 days.

The portion of trade payables relating to invoices to be received by the parent company from third parties at December 31, 2025 amounts to € 30,007 thousand.

Some suppliers assign (factor) their invoices to a bank with which the parent company has stipulated an agreement. The supplier's adherence to such an agreement allows the supplier to collect in advance its receivable and the parent company to pay the invoice indirectly to the bank within 150 days from the invoice issuance date (compared to an average payment period of 60 days). At December 31, 2025, the parent company's trade payables include € 1,379 thousand relating to these factored invoices.

30. Derivative financial instruments

The following table presents the information on the derivative financial instruments at December 31, 2025 and December 31, 2024:

(in thousands of euros)				Dec. 31, 2025		Dec. 31, 2024	
type	bank	note	residual notional amount	fair value assets	fair value liabilities	fair value assets	fair value liabilities
IRS	Ubi 2019	a)	0			20	
IRS	Bpm 2020	b)	3,000	33		163	
IRS	Bnl 2020	c)	3,000	33		163	
Collar	Bnl 2023	d)	9,231		-131		-207
Collar	F2i 2023	e)	25,000		-278		-635
IRS	Bpm 2024	f)	18,462	51			-82
IRD	Bper 2025	g)	19,000	36			
IRS	Bnl 2021	h)	0			214	
IRS	Bpm 2021	i)	0			87	
IRS	Unicredit 2021	l)	0			87	
IRS	Mps 2024	m)	14,375		-209		-369
total derivative financial instruments			**92,068**	**153**	**-618**	**734**	**-1,293**

At December 31, 2025, the Group had:

a. an interest rate swap ("IRS") contract, entered into by the parent company on June 20, 2019 with Ubi Banca to hedge risks associated with changes in interest rates related to the € 15,000 thousand loan from Ubi Banca maturing on June 19, 2025. The contract provides for the payment of a premium on the residual notional amount. It was extinguished together with the underlying loan on December 27, 2024;

b. an IRS contract, entered into by the parent on November 12, 2020 with Banco Bpm to hedge risks associated with changes in interest rates related to the € 20,000 thousand loan from Bpm (co-financed with Bnl for a total amount of € 40,000 thousand) maturing on September 30, 2026. The contract provides for the payment of a premium on the residual notional amount, which at December 31, 2025 was € 3,000 thousand, equal to -0.16% per annum. The IRS has a positive fair value of € 33 thousand at December 31, 2025;

c. an IRS contract, entered into by the parent on November 12, 2020 with Bnl to hedge risks associated with changes in interest rates related to the € 20,000 thousand loan from Bnl (co-financed with Bpm for a total amount of € 40,000 thousand) maturing on September 30, 2026. The contract provides for the payment of a premium on the residual notional amount, which at December 31, 2025 was € 3,000 thousand, equal to -0.16% per annum. The IRS has a positive fair value of € 33 thousand at December 31, 2025;

d. a collar agreement, entered into by the parent on August 9, 2023 with Bnl to hedge risks associated with changes in interest rates related to the € 12,000 thousand loan from Bnl (co-financed with F2i for a total amount of € 37,000 thousand) maturing on July 20, 2030. Under the agreement, if at set expiration dates the variable rate should exceed the cap rate (3.76%), Veritas spa will be entitled to receive from the bank an amount (periodic differential amount) calculated by multiplying the difference between the two aforementioned rates by the residual notional amount; vice versa, if at the agreed expiration dates the variable rate should be below the floor rate (2.75%), Veritas spa will have to pay the bank the periodic differential amount calculated by multiplying the difference between the two aforementioned rates by the residual notional amount. If the variable rate should be between the cap rate and the floor rate, Veritas will not pay or receive any amount. This collar agreement has a negative fair value of € -131 thousand at December 31, 2025;

e. a collar agreement, entered into on August 9, 2023 by the parent with F2i to hedge risks associated with changes in interest rates related to the € 25,000 thousand loan from F2i (co-financed with Bnl for a total amount of € 37,000 thousand) maturing on July 20, 2033. Under the agreement, if at set expiration dates the variable rate should exceed the cap rate (3.76%), Veritas spa will be entitled to receive from the bank an amount (periodic differential amount) calculated by multiplying the difference between the two aforementioned rates by the residual notional amount; vice versa, if at the agreed expiration dates the variable rate should be below the floor rate (2.75%), Veritas spa will have to pay the bank the periodic differential amount calculated by multiplying the difference between the two aforementioned rates by the residual notional amount. If the variable rate should be between the cap rate and the floor rate, Veritas will not pay or receive any amount. This collar agreement has a negative fair value at December 31, 2025 of € -278 thousand;

f. an IRS contract, stipulated by the parent company on December 12, 2024 with Banco Bpm to hedge risks associated with changes in interest rates related to the € 20,000 thousand loan from Bpm maturing on December 31, 2031. The contract provides for the payment of a premium on the residual notional amount, which at December 31, 2025 was € 18,462 thousand, equal to 2.245% per annum. The IRS has a positive fair value of € 51 thousand at December 31, 2025;

g. an IRS contract, stipulated by the parent on June 24, 2025 with Bper Banca to hedge risks associated with changes in interest rates related to the € 20,000 thousand loan from Bper banca maturing on June 30, 2035. The contract provides for the payment of a premium on the residual notional amount, which at December 31, 2025 was € 19,000 thousand, equal to 2.475% per annum. The IRS has a positive fair value of € 36 thousand at December 31, 2025;

h. an IRS contract, entered into on July 28, 2021 by Ecoprogetto (now Eco+Eco) with Banca Nazionale del Lavoro to hedge risks associated with changes in interest rates related to the € 11,000 thousand loan from the same bank (co-financed with Unicredit and Banco Bpm for a total amount of € 20,000 thousand) maturing on June 30, 2027. It was extinguished together with the underlying loan on September 25, 2025;

i. an IRS contract, entered into on July 28, 2021 by Ecoprogetto (now Eco+Eco) with Banco Bpm to hedge risks associated with changes in interest rates related to the € 4,500 thousand loan from the same bank (co-financed with Banca nazionale del lavoro and Unicredit for a total amount of € 20,000 thousand) maturing on June 30, 2027. It was extinguished together with the underlying loan on September 25, 2025;

j. an IRS contract, entered into on July 28, 2021 by Ecoprogetto (now Eco+Eco) with Banca Unicredit to hedge risks related to interest rate fluctuations associated with the € 4,500 thousand loan from the same bank (co-financed with Banca nazionale del lavoro and Banco Bpm for a total amount of € 20,000 thousand) maturing on June 30, 2027. It was extinguished together with the underlying loan on September 25, 2025;

k. an IRS contract, entered into on July 19, 2024 by Eco+Eco with Monte dei Paschi di Siena spa to hedge risks related to interest rate fluctuations associated with the € 15,000 thousand loan from the same bank maturing on September 30, 2031. The IRS has a negative fair value of € -209 thousand at December 31, 2025.

After verifying the qualification of the derivative instruments described in points b), c), d), e), f), g), i), j), and k) above as interest rate hedges, hedge accounting was used for them, so a positive reserve of € +36 thousand (€ -195 thousand for the parent company), equal to the fair value net of tax, was recognized in equity.

31. Other current liabilities

The following table presents the information on the other current liabilities at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
advances from customers	6,744	4,097
payables due to employees	16,808	16,098
payables due to social security institutions	9,697	10,223
payables due for surcharges and excise duties	3,073	2,748
payables due to revenue agency for IRPEF withholding tax	4,298	5,260
payables due to revenue agency for VAT	50	3,794
sundry payables due to entities under common control	1,042	1,042
accrued expenses and deferred income	1,868	3,150
sundry payables	21,775	15,568
total other current liabilities	**65,355**	**61,980**

The payables due to employees refer to unused vacation time and leaves of absence at the reporting dates, as well as performance bonuses, which the Group usually pays in August of the subsequent year. These payables include the related contributions.

The surtaxes and excise duties are due to the Metropolitan City of Venice and the Province of Treviso for collecting the provincial surtax (Tefa) on waste management rates (Tia1, Tia2, Tares and Tarip); they concern the parent company and Asvo spa.

32. Current tax liabilities

The following table presents the information on the current tax liabilities at December 31, 2025 and December 31, 2024:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
corporate income tax (IRES)	108	5,072
regional business tax (IRAP)	113	1,549
other taxes payable	1	15
total current tax liabilities	**222**	**6,636**

The amount of IRES and IRAP due corresponds to the difference, if positive, between the taxes due for the year and the taxes paid in advance.

With respect to the IRES due, the parent company and some subsidiaries participate in national tax consolidation.

For the parent company, this year the IRES and IRAP differences are positive, so they are recognized as a current tax liability (see Note 19) which, as far as IRES is concerned, include payables (or receivables, in the case of tax losses) from subsidiaries participating in the tax consolidation.

33. Revenues from sales and services

(in thousands of euros)	2025	2024
revenue from water and sewerage rates	133,680	144,522
revenue from waste management rates	60,365	44,363
revenue from institutional services	187,553	187,472
revenue from services rendered to third parties	129,548	126,937
revenue from the sale of scrap and finished products	10,155	9,241
revenue from contract work in progress	14,427	13,242
change in inventories of work in progress	2,468	-291
contingent gains and unsubstantiated losses	655	701
total revenues from sales and services	**538,851**	**526,187**

The revenues from sales and services amount to € 538,851 thousand, up by € 12,664 thousand from the previous year.

Water rate revenue amounts to € 133,680 thousand, down by € 10,842 thousand from the previous year.

Such revenues relate to services rendered in the 36 municipalities of the metropolitan area of Venice and the province of Treviso, within the Venice Lagoon area.

The 2025 water rate was applied, based on the guaranteed revenue constraint ("Vrg") decided upon by the Basin Council on November 17, 2024, and then approved with amendments by Arera on January 21, 2025, which raised it by 9.9% from the 2024 rate.

The revenue from water rates regarding bills to be issued at December 31, 2025 is € 19,220 thousand, calculated on the basis of the estimated consumption.

The revenue adjustment to the guaranteed revenue constraint for 2025 resulted in the recognition of downward adjustments of €-2,473 thousand.

The revenue from waste management rates, € 60,365 thousand, refers to the parent company's use of the punctual Tarip rate; it has grown by € 16,002 thousand from the previous year.

The 2025 revenue from institutional services is € 187,553 thousand, consistent with that of 2024.

The latter revenue includes € 180,086 thousand in municipal waste management fees for municipalities. Thus, the revenue from the waste management service (sum of rates and municipal fees) is € 240,451 thousand, up by € 15,915 thousand year-on-year.

The increase is attributable to the parent company, partly for the 3.16% average rate increase in the approved 2025 financial plans, the € 5,687 thousand reversal of rate adjustments written down in previous periods, and the € 5,288 thousand increase in adjustments pertaining to this year.

The Mtr-2 rate method is in effect for the waste management rates and fees for the 2022-2025 regulatory period, whereas the adjustments for 2024-2025 recognized in the 2026-2027 financial plans were calculated with the new Mtr-3 rate method in effect from the 2026-2029 period.

Details of the revenue from services rendered to third parties are provided below:

(in thousands of euros)	2025	2024
revenue from services and work on green spaces	12	78
rental revenue	2,161	2,161
revenue from wastewater treatment	30,322	29,526
revenue from waste disposal service	8,821	7,880
revenue from disposal of sorted waste	42,137	36,189
revenue from sludge disposal service	-158	-287
revenue from cleaning and restroom services	960	965
consulting revenue	4,334	4,741
revenue from outsourced plant operation	12,213	13,645
revenue from land reclamation	1,391	1,379
revenue from cemetery services	6,329	5,861
revenue from water service maintenance and connections	1,067	1,581
revenue from heat management	1,888	4,378
revenue from electricity sales	854	807
other revenue from services rendered to third parties	16,813	17,657
revenue reversals to shareholders	3	3
sundry minor revenue	401	373
total revenues from services rendered to third parties	**129,548**	**126,937**

These revenues rose by € 2,611 thousand.

Among the main changes are an increase in the revenue from the disposal of sorted waste (€ +5,948 thousand) and a reduction in revenue from heat management (€ -2,490 thousand) and from outsourced plant operation (€ -1,432 thousand).

34. Other income

(in thousands of euros)	2025	2024
lease and concession income	1,010	1,013
gains from asset disposals	345	430
sundry reimbursements and expense charges	1,714	1,479
compensation for damages	651	651
seconded personnel	77	105
contingent gains and unsubstantiated losses	3,334	211
sundry income	4,771	3,652
grants for operating expenses	2,625	1,994
total other income	**14,527**	**9,535**

Other income rose by € 4,992 thousand from 2024; the difference regards manly the € 3,123 thousand increase for the contingent gains and unsubstantiated losses and the € 1,119 thousand increase in sundry income.

This year the contingent assets and unsubstantiated losses refer primarily to the parent company's release of previously allocated risk provisions as they were found to be excessive.

The parent company's 2025 grants for operating expenses include diesel fuel excise tax credits of € 464 thousand, regulatory incentives of € 526 thousand, and other grants of € 1,180 thousand.

The lease and concession income refers to leased portions of buildings (recognized under service concession arrangements) that generate revenue of € 929 thousand for Veritas and leased buildings (recognized as property, plant and equipment) that generate revenue from third parties of € 35 thousand for the parent company, € 6 thousand for Euroscavi srl, and € 40 thousand for Metalrecycling Venice srl (see Note 2.3 on leases).

35. Costs for raw and ancillary materials and consumables used

(in thousands of euros)	2025	2024
drinking water	168	94
purchases of other materials	15,417	13,585
fuels and lubricants	10,710	11,047
consumables and materials for routine maintenance and repairs	19,639	18,198
reagents	9,939	10,437
capitalized costs of raw and ancillary materials and consumables used	-4,654	-3,472
change in inventories of raw materials, consumables and goods	-729	-39
total raw and ancillary materials and consumables used	**50,490**	**49,850**

The costs for raw materials and consumables increased by € 640 thousand from the prior year.

The most significant changes regarded the increase for purchases of other materials (€ 1,832 thousand) and purchases of consumables and materials for routine maintenance and repairs (€ 1,441 thousand), and the decrease for capitalized costs (€ 1,182 thousand).

36. Costs for services

(in thousands of euros)	2025	2024
engineering work and maintenance	30,627	29,026
industrial services	11,855	10,601
utilities	31,841	33,274
operational services	67,279	60,109
general services	36,060	33,632
company boards	1,068	1,036
adjustment to additional services of previous years	-248	1,280
services capitalized	-411	-340
accruals for services	2,407	3,948
total costs of services	**180,478**	**172,566**

The total service costs rose by € 7,912 thousand from the previous year.

The increase is attributable primarily to operating expenses (€ 7,912 thousand, including € 6,018 thousand relating to the parent company).

Engineering work and maintenance refer to routine maintenance on the corporate assets and the activities of the engineering division, which is involved prevalently in the construction of water and sewerage systems.

The utility costs amount to € 31,841 thousand (including € 26,484 of the parent company), down by € 1,433 thousand from the previous year.

The most significant item concerns the procurement of electricity for € 27,871 thousand (€ 23,875 thousand for the parent company). Such cost fell by € 1,466 thousand from that of 2024 (€ 2,416 thousand for the parent company), due to a reduction of the total energy consumption, whereas the average price during the year is slightly higher.

Among the operational services, the parent company's costs increased by € 3,311 thousand for sorted waste collection, by € 537 thousand for municipal solid waste (MSW) handling and transportation, and by € 1,173 thousand for additional waste collection services, whereas its reclamation and sanitization costs fell by € 188 thousand and costs for green areas fell by € 201 thousand.

The company boards include the remuneration of directors, statutory auditors and members of supervisory bodies.

Under the parent company's policy, any assignments of Veritas Board of Director members to subsidiaries are not remunerated. Therefore, the total remuneration of the Veritas Board of Director members, € 259 thousand, also corresponds to the full amount of the remuneration paid by the Group to the Veritas directors.

The accruals for services (€ 2,407 thousand) refer to the accrual for the year regarding the costs to be incurred in the next year for the disposal of sludge produced from wastewater treatment (€ 2,000 thousand) and future waste disposal costs (€ 407 thousand).

37. Costs of use of third-party-assets

(in thousands of euros)	2025	2024
rental payments	3,457	3,541
rent and lease payments	258	144
concession and water diversion payments	1,890	1,771
payments for infrastructure use and assignments of services	9	10
Contingent losses	3	89
total costs for use of third-party assets	**5,617**	**5,555**

The total costs for the use of third-party assets rose by € 62 thousand from those of the previous year.

Such costs relate to payments on operating leases outside the scope of application of IFRS 16, in effect since 2019.

38. Personnel costs

(in thousands of euros)	2025	2024
wages and salaries	146,873	141,281
social security costs	47,123	45,532
retirement benefit obligations	8,792	8,422
agent termination and similar benefits	17	16
other costs and contingencies	-263	-94
capitalized personnel costs	-5,695	-6,339
total personnel costs	**196,847**	**188,818**

The total personnel costs rose by € 8,029 thousand from those of 2024, but, net of the capitalized costs, the increase is € 7,385 thousand.

The increase is attributable primarily to an increase in fixed-term workers to meet the demands of seasonality, as well as to salary raises given under the renewed national collective labor agreements (for employees working in the gas-water sector and environmental services sector) and corporate remuneration polices.

The following table shows the annual changes in the Group's work force by category, expressed as the average number of full-time equivalents ("FTE"s).

average annual headcount (FTEs)	2025	2024	change
upper management	23.66	25.08	-1.42
lower management	91.77	89.15	2.62
white-collar employees	1,104.60	1,069.85	34.75
blue-collar employees	2,330.89	2,299.02	31.87
total average headcount	**3,550.92**	**3,483.10**	**67.82**

39. Other operating expenses

The other operating expenses amount to € 16,017 thousand, down by € 3,254 thousand compared with the previous year.

(in thousands of euros)	2025	2024
allocations for doubtful debts	4,264	7,058
allocations for interest on arrears	3	13
allocations for risks and charges	2,414	5,189
membership dues and other fees	986	943
Ato operating expenses	658	694
special landfill tax	333	254
local taxes and duties	3,486	3,162
credit losses	495	549
losses on asset disposals	467	271
sundry minor costs	2,737	827
ordinary contingent losses	88	249
fines and damage compensation	86	62
total other operating expenses	**16,017**	**19,271**

The allocations for doubtful debts fell by € 2,794 thousand due to the updating of the default indexes for the year.

With respect to the € 2,775 thousand decrease in the allocations for risks and charges, see Note 24 on provisions for risks and charges for additional information.

Veritas' credit losses were € 480 thousand, and they refer to the write-offs of Tia1 receivables, for which the default risk is borne by the municipalities due to the tax nature of the rate. Therefore, again this year an equal amount was recognized in the revenues from the waste management service (from rates and municipal fees), since such loss will be covered in the waste management financial plans.

40. Amortization, depreciation and impairment losses

Amortization, depreciation and impairment losses amount to € 66,081 thousand, versus € 62,088 thousand in 2024, an increase of € 3,993 thousand.

Depreciation was reduced by the annual amount of equipment grants, just as the value of property, plant and equipment was reduced by the amount of the grants issued.

(in thousands of euros)	2025	2024
amortization of intangible assets	5,896	6,249
amortization of service concession arrangements	27,885	26,692
depreciation of property, plant and equipment	43,124	39,837
depreciation of investment property	3	3
depreciation adjustment for discounting of dismantling costs	-990	
impairment losses on intangible assets	44	
impairment losses on property, plant and equipment	67	124
impairment losses on service concession arrangements	1,419	
grants for equipment	**-11,367**	**-10,817**
total amortization, depreciation and impairment losses	**66,081**	**62,088**

The depreciation adjustment for the discounting of dismantling costs refers to the discounting to present value of the post-closure costs of the Jesolo landfill due to the updating of the interest rate applied and of the expense budget.

41. Share of results of equity-accounted investees

No changes were made to the value of the equity investments.

42. Finance costs and income

Finance costs

The finance costs amount to € 23,188 thousand, versus € 25,707 thousand in 2024, a decrease of € 2,519 thousand.

The finance costs include € 1,949 thousand for discounting payables to present value, specifically the retirement benefit obligations (€ 355 thousand), financial payables due to parent companies (€ 9 thousand), the receivable due from the Metropolitan City of Venice guaranteeing the Jesolo landfill (€ 204 thousand), the provision for the post-closure care of the Jesolo landfill of Alisea (now Veritas) (€ 814 thousand), the Centa Taglio landfill operated by Asvo (€ 398 thousand), the amount due to INPS for the intergenerational turnover agreement (€ 48 thousand), and other financial payables (€ 121 thousand).

The main changes refer to the finance costs relating to long-term loans (€ -1,187 thousand) and capitalized finance costs (€ -936 thousand). The finance costs to service financial debt (with banks), factoring transactions and the use of other financial instruments (including bond notes) amount to € 21,938 thousand, with an average interest rate of 6.34% (7.35% in 2024).

They are summarized below:

(in thousands of euros)	2025	2024
finance costs from parent companies	24	26
interest expense with banks on bank account overdrafts	1,163	1,311
finance costs on long-term loans	13,482	14,669
finance costs on leases and rentals	2,006	1,807
finance costs on derivative instruments	263	210
finance costs from other discounting	1,585	2,096
finance costs from discounting retirement benefit obligations	355	400
finance costs on factoring transactions	237	404
interest expense on bonds	4,324	4,419
capitalized finance costs	-1,508	-572
other finance costs	1,257	937
total finance costs	**23,188**	**25,707**

Finance income

The finance income amounts to € 2,425 thousand, versus € 6,235 thousand in the previous year, a decrease of € 3,810 thousand. It is summarized below:

(in thousands of euros)	2025	2024
sundry finance income from associates	1	
interest income from banks	340	998
fair value measurement of derivatives	720	1,634
interest on arrears and payment extensions	547	1,811
finance income from associates	38	80
finance income from other discounting	486	592
income from equity investments (revaluations)		141
other finance income	293	979
total finance income	**2,425**	**6,235**

43. Income tax for the year

The following table presents the reconciliation of the corporate income tax (IRES) applicable to the Group's pre-tax profit, using the current tax rate, with that obtained using the effective tax rate, for the period ended December 31, 2025:

(in thousands of euros)	2025	2024
ordinary tax rate applicable	**24.00%**	**24.00%**
profit before tax	**17,085**	**18,102**
theoretical tax expense/(income)	**4,100**	**4,344**
adjustments to previous year's tax	225	111
writedowns and adjustments of deferred tax assets recognized in the previous year	138	12
recognition of deferred tax assets on temporary differences arising in previous years	-6	61
recognition of deferred tax assets on temporary equity differences arising during the year	75	2,105
derecognition of deferred tax liabilities arising in previous years as a result of tax realignment		
non-recognition of deferred tax assets on tax losses of the year on temporary differences	1	127
non-recognition of deferred tax assets/liabilities of the year on temporary differences	260	4
tax consolidation (income)/expense		
exemption of tax mismatches, net of substitute tax		
tax-exempt income / tax relief	-1,311	-1,064
non-deductible costs	766	-1,129
other permanent differences	-9	-26
effective IRES tax	**4,239**	**4,545**
effective tax rate	**24.81%**	**25.11%**
current taxes	3,703	7,179
deferred tax liabilities/(assets)	311	-952
tax from prior periods	255	111
substitute tax		
tax consolidation (income)/expense		
effective IRES tax expense/(income)	**4,239**	**6,338**
current local tax (IRAP)	2,106	2,908
local deferred tax liabilities/(assets)	45	-466
local tax from prior periods	5	87
effective local tax expense/(income)	**2.16**	**2,529**
total effective tax expense /(income)	**6,395**	**8,867**

This year the IRAP tax rate is 4.38% compared to the 4.2% applied in previous periods for the parent company and Asvo spa, since the specific rate for enterprises holding concessions to operate public services and works (4.2%) was just raised by 0.18% by the Veneto Region with Regional Law 32/2024 for the years 2025 to 2027.

For the other Group companies, the new IRAP rates applied are 4.08% and 4.55%.

The deferred tax assets and liabilities for the two years ended December 31, 2025 and 2024 are as follows:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
provision for doubtful debts	5,218	4,891
provision for risks and charges	11,801	12,331
inventory impairment provision	129	128
fixed asset impairment	1,033	421
maintenance costs	226	186
statutory depreciation difference	7,478	7,920
other costs deductible in subsequent periods	248	277
fair value adjustment of derivative instruments	148	310
business combination bonuses		
reversal of gains on intra-Group transactions		
sundry minor items	2,118	2,538
interest expense deductible in the future (based on GOM)	36	36
tax losses	937	1,222
actuarial gains/losses on retirement benefit obligations	70	64
total deferred tax assets	**29,442**	**30,324**

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
tax-exempt interest on arrears	469	547
tax-exempt revenues	1,407	1,491
landfill asset		
other temporary changes	2,387	2,198
gain allocated to fixed assets	296	527
leased assets	491	586
separation of land		
fair value adjustment of derivative instruments	37	171
total deferred tax liabilities	**5,087**	**5,520**

Veritas spa and most of its subsidiaries have jointly exercised the Group taxation option available under Italian Tax Code Articles 117 - 129. The transactions and reciprocal responsibilities and obligations between the consolidating company and the other participating companies are defined in a specific tax consolidation agreement.

The deferred tax assets of € 29,442 thousand include € 6,033 thousand referring largely to the parent company's writedowns of property, plant and equipment and service concession arrangements within the scope of the extraordinary transaction carried out in 2017 with Asi spa (such deductible temporary difference is absorbed over the fiscally relevant depreciation and amortization plans of the assets written down), € 4,503 thousand regarding the provision for doubtful debts and € 9,897 thousand regarding the provisions for risks and charges.

Due to the nature of the items that originate deferred tax assets, particularly deductible temporary differences, their recovery in subsequent reporting periods is ensured by the future recovery (extinction) of the carrying amount of the assets (liabilities) recognized in the statement of financial position and to which they refer.

44. Commitments and risks

Commitments from operating leases - the Group as lessor

The Group has stipulated commercial leases to enhance the value of the equipment and buildings located in the area. These non-cancellable leases have a residual term of 5 to 10 years. All the leases include a clause allowing the rent to be remeasured annually at market conditions.

The rent income received by the Group in the year was € 1,010 thousand (€ 1,013 thousand in 2024). It refers to leased portions of buildings (recognized in service concession arrangements) that generate income of € 929 thousand for Veritas and leased buildings (recognized in property, plant and equipment) that generate revenues of € 35 thousand for the parent company, € 6 thousand for Euroscavi srl, and € 40 thousand for Metalrecycling Venice srl (see Note 2.3 on leases).

The future payments regarding non-cancellable operating leases in effect at December 31, 2025 and 2024 are as follows:

(in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
due within one year	413	394
due after one year and within five years	763	972
due after 5 years	141	192
total commitments for property rentals and leases	**1,317**	**1,558**

Commitments for water investments - FONI

Under the Mti-4 waste rate method, the components to calculate the rate include the New Investments Fund ("FONI"). Article 15.1 of Arera Resolution 639/2023/R/idr, Annex A (Mti-4) states that the operator is required to allocate a specified portion of the guaranteed revenue constraint (Vrg) exclusively to the realization of new investments identified as priorities.

The amount of the New Investments Fund related to the 2025 revenue constraint is € 19 million. Veritas' directors decided to account for this allocation by setting up a specific equity reserve. It was proposed to allocate part of the 2025 profit and part of the available reserves to a non-distributable reserve based on the FONI constraint.

The directors consider reasonable to expect that the water investments for which the allocation constraint applies will be realized; therefore, the 2025 FONI reserve set aside at the time of approval of these financial statements may become available next year.

Guarantees issued

The parent company issued guarantees consisting of sureties and comfort letters to third parties totaling € 47,735 thousand at December 31, 2025.

Eco+Eco issued surety bonds to subsidiary Metalrecycling Venice srl totaling € 1,050 thousand.

Depuracque servizi srl issued a € 810 thousand surety jointly with the other quotaholder of subsidiary Rive srl to Veritas spa.

Below is a breakdown of the entities to which the parent company issued guarantees, consisting solely of Veritas subsidiaries and associates:

sureties given (in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
Eco+Eco srl	24,403	35,739
Rive srl	7,600	7,600
Sifa Scpa	2,068	2,068
Ecodistretto trasporti scarl	714	714
sureties issued to subsidiaries	**34,785**	**46,121**

comfort letters (in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
Eco+Eco srl	8,250	8,250
Metalrecycling Venice srl	1,200	1,200
Veritas Conegliano srl	3,000	3,000
comfort letters issued to subsidiaries	**12,450**	**12,450**
Ecolegno CM Venezia srl	500	500
comfort letters issued to associates	**500**	**500**
total comfort letters issued	**12,950**	**12,950**

Below is a breakdown of the sureties received from third parties by beneficiary, for which the Group is the beneficiary:

sureties received from third parties (in thousands of euros)	Dec. 31, 2025	Dec. 31, 2024
Municipality of Venice	32	32
Other municipalities	179	179
sureties received from parent companies	**211**	**211**
Port Authority - former Water Authority	2,498	2,254
Metropolitan City of Venice	22,863	41,443
Ministry of the Environment	4,179	5,650
Banks and insurance companies	3,350	978
Local health authorities (ULSS)	117	117
INPS	4,559	4,559
Other local authorities	91	91
Other entities	9,987	7,122
sureties received from others	**47,644**	**62,214**
total sureties received	**47,855**	**62,425**

Other risks and uncertainties

The Report on Operations provides this information.

45. Transactions with related parties

Subsidiaries

The consolidated financial statements include the financial statements of Veritas spa and of the subsidiaries listed in the table hereunder:

consolidated companies	registered office	share capital	Dec. 31, 2025	Dec. 31, 2024
			Group's share	
Veritas spa (parent company)	Venice	145,397,150		
Eco+Eco srl	Venice	110,353,576	80.84%	72.95%
Asvo spa	Portogruaro (Venice)	18,969,650	100.00%	55.75%
Consorzio gestione dei servizi comuni - Fusina	Venice	50,000	88.23%	88.23%
Metalrecycling Venice srl	Venice	5,868,934	80.84%	72.95%
Depuracque servizi srl	Salzano (Venice)	223,080	100.00%	100.00%
Lecher ricerche e analisi srl	Salzano (Venice)	46,800	100.00%	100.00%
Rive srl	Venice	4,000,000	70.00%	70.00%
Ecodistretto trasporti scarl	Venice	20,000	64.67%	58.36%
Veritas Conegliano srl	Venice	100,000	72.50%	72.50%
Euroscavi srl	Badia Polesine (Rome)	10,329	100.00%	100.00%
Sifa scpa	Venice	30,000,000	84.33%	84.33%
Ri.cart Venezia srl	Istrana (Treviso)	200,000	80.84%	32.83%
Ecodistretto RE srl	Venice	24,478,000	80.84%	72.95%

The changes of the year are described in section 2.1.1 of the Report on Operations.

Shareholders

The following table presents the total amounts of the transactions conducted with shareholders during the year:

(in thousands of euros)	2025 income from shareholder municipalities	2024	2025 expenses with shareholder municipalities	2024	2025 receivables due from shareholder municipalities	2024	2025 payables due to shareholder municipalities	2024
Municipality of Annone Veneto	43	26			40	45	73	
Municipality of Campagna Lupia	30	27	6	6	8	6	1	
Municipality of Campolongo Maggiore	23	27	15	16	5	6	128	133
Municipality of Camponogara	31	29	10	10	4	4	1	2
Municipality of Caorle	8,612	8,402	59	57	2,759	2,688	8,452	5,459
Municipality of Cavallino-Treporti	5,833	5,579	18	23	803	800	3,765	2,023
Municipality of Cavarzere	2,083	2,128	1		177	774		
Municipality of Ceggia	742	777	20	20	115	113	1,515	1,501
Municipality of Cessalto	9		3	3	1	1		
Municipality of Chioggia	21,670	21,802	108	96	6,627	4,587	6,862	5,604
Municipality of Cinto Caomaggiore	34	56	9	8	14	36	63	9
Municipality of Cona	4	20			-3	13		
Municipality of Concordia Sagittaria	150	1,465		2	162	1,150	188	611
Municipality of Dolo	473	490	31	26	188	93	10	10
Municipality of Eraclea	3,090	2,868	38	37	551	628	2,500	2,161
Municipality of Fiesso d'Artico	151	157	8	7	34	39		
Municipality of Fossalta di Piave	19	21	6	5	35	36	66	65
Municipality of Fossalta di Portogruaro	1,518	1,268			614	397	943	422
Municipality of Fossò	20	22	15	15	2	2	164	167
Municipality of Gruaro	400	366			153	125	360	130
Municipality of Jesolo	13,087	13,355	681	587	1,800	667	10,114	6,218
Municipality of Marcon	28	28	1	1	18	17	14	3
Municipality of Martellago	66	3,151	58	10	11	246	374	1,356
Municipality of Meolo	19	20	1	1	7		5	5
Municipality of Mira	141	119	84	17	14	34	869	22
Municipality of Mirano	231	212	48	48	71	73	61	43
Municipality of Mogliano Veneto	5,130	4,717	34	28	1,589	1,715	4,172	1,926
Municipality of Morgano	7	7	3	3	1	1		
Municipality of Musile di Piave	1,685	1,521	21	22	520	188	1,635	1,299
Municipality of Noale	2,756	2,591	43	43	682	467	1,926	909
Municipality of Noventa di Piave	1,343	1,122	9	10	744	301	1,046	534
Municipality of Pianiga	32	1,975	16	18	17	158	60	1,051
Municipality of Portogruaro	4,932	4,272	11	10	3,619	1,600	3,833	1,693
Municipality of Pramaggiore	664	556			307	206	230	72
Municipality of Preganziol	30	22	13	13	4	4		
Municipality of Quarto d'Altino	20	20	1	1	5	11	10	12
Municipality of Quinto di Treviso	9	10	5	5	1	4		
Municipality of Salzano	42	43	16	16	13	11	168	177
Municipality of San Donà di Piave	670	428	86	70	397	190	859	787
Municip. of San Michele al Tagliamento	8,827	8,414	1	13	2,693	2,610	8,678	4,165
Municipality of San Stino di Livenza	171	109	16	16	141	116	267	61
Municipality of Santa Maria di Sala	51	55	13	12	3	5	1	4
Municipality of Scorzè	2,955	2,788	22	15	680	521	1,185	971
Municipality of Spinea	4,294	4,127	48	53	778	560	2,972	2,725
Municipality of Stra	39	47	40	40	13	13		
Municipality of Teglio Veneto	22	13	18		17	10	60	1
Municipality of Torre di Mosto	749	741	6	7	302	187	527	424
Municipality of Venice	123,316	121,834	1,327	1,452	14,111	14,111	95,579	91,791
Municipality of Vigonovo	19	31	7	7	3	3	3	2
Municipality of Zenson di Piave	6	6	1	1		4	26	26
Municipality of Zero Branco	6	34	4	4	1	1		
total nominal amounts	**216,282**	**217,898**	**2,981**	**2,854**	**40,851**	**35,577**	**159,765**	**134,574**
provision for doubtful debts					**-2,813**	**-4,654**		
discounting of receivables/payables							**-18**	**-27**
advances on work recognized as a reduction of contract work in progress							**-18,998**	**-16,890**
total	**216,282**	**217,898**	**2,981**	**2,854**	**38,038**	**30,923**	**140,749**	**117,657**

The provision for doubtful debts of € 2,813 thousand comprises € 77 thousand regarding the request to recognize certain transactions attributable for the shareholders to off-balance-sheet payables, i.e. receivables due for services duly performed by the company, but for which the shareholder municipality had not, for various reasons, expected the expense, and € 2,736 thousand for writedowns of receivables for over-cap waste management rate adjustments not recoverable in the 2026-2027 financial plans (see Notes 14 and 15 for additional details).

The payables due to shareholders are shown net of the € 18 thousand discounting amount.

The service contracts with shareholders refer primarily to waste management activities for municipalities that apply the Tari tax, namely Caorle, Cavallino, Cavarzere, Ceggia, Chioggia, Eraclea, Fossalta di Portogruaro, Gruaro, Jesolo, Mogliano Veneto, Musile di Piave, Noale, Noventa di Piave, Portogruaro, Pramaggiore, San Michele al Tagliamento, Scorzè, Spinea, Torre di Mosto and Venice.

In contrast, the municipalities of Fiesso d'Artico, Stra, Salzano, Camponogara, Campolongo Maggiore, Campagna Lupia, Fossò, Vigonovo, Santa Maria di Sala, Marcon, Mira, Fossalta di Piave, San Donà di Piave, Meolo, Quarto d'Altino, Dolo, Mirano, Cona, Annone Veneto, Cinto Caomaggiore, San Stino di Livenza, Teglio Veneto, Pianiga, Martellago and Concordia Sagittaria decided to apply the punctual rate instead of the tax, so Veritas bills the end users directly.

In the case of the Municipality of Venice, the following services are charged in addition to waste management services:

- cemeteries;
- markets;
- elevated walkways for high tide.

Cemetery services are also charged to other municipalities (Spinea, Portogruaro, San Michele al Tagliamento, San Stino di Livenza, Fossalta di Portogruaro, Cinto Caomaggiore and Dolo); and for the municipalities of Chioggia, Fossalta di Portogruaro and Fiesso d'Artico, public lighting services are provided. Since 2019 the Municipality of Portogruaro, and since 2020 the municipalities of San Michele al Tagliamento and Fossalta di Portogruaro, have been assigned public green space maintenance services.

Terms and conditions of transactions with shareholders

The service contracts between Veritas and the Municipality of Venice for the services referred to above are duly invoiced on a monthly or quarterly basis and paid for on average within 30 to 60 days from the invoice issuance date.

Work on the construction of new sewerage systems and the related extraordinary maintenance (engineering work) and work regarding public works are charged to the Municipality of Venice on the basis of a service contract providing for the recognition of a percentage of the work linked to the engineering and management costs and the coverage of general expenses.

Loans from shareholders

In previous years, loans were taken out from the Cassa Depositi e Prestiti by municipalities in the Mirano area to finance investments in the water sector, for which Veritas provides repayment.

Also recognized is a payable transferred with the Asi merger relating to a funding advance from the Municipality of Jesolo, for investments in the water sector.

The total amount of the loans amounted to € 464 thousand at December 31, 2025.

Associates

The Group has the following investments in associates:

associates	registered office	share capital	Group's share Dec. 31, 2025	Dec. 31, 2024
Ecolegno CM Venezia srl	Venice	50,000	32.34%	29.18%
Bioenergie Italiane Srl	Venice	1,000,000	24.25%	21.89%
9-Tech srl	Eraclea (Venice)	256,400	22.00%	22.00%
Vier scarl	Venice	100,000	49.00%	49.00%
reclassified companies				
Ri.cart srl	Istrana (Treviso)	200,000	80.84%	32.83%
OMD srl	Nervesa della Battaglia (Treviso)	160,000	0.00%	18.24%

The following table presents the total amounts of the transactions conducted with associates during the year:

(in thousands of euros)	income from associates 2025	2024	expenses with associates 2025	2024	receivables due from associates 2025	2024	payables due to associates 2025	2024
Vier scarl	460	569	233	378	1,803	2,206	2,619	174
OMD srl	151	104	5,404	6,653				8,081
Ecolegno CM Venezia srl								
Bioenergie Italiane srl (formerly Mia energia srl)	513	418	305		513	101	526	221
9-Tech srl	1	20	76	32			40	
Total	**1,125**	**1,111**	**6,018**	**7,063**	**2,316**	**2,307**	**3,185**	**8,476**

The transactions with associates are carried out on an arm's length basis.

Other related parties

The other related parties are companies and entities controlled by the Municipality of Venice and by other local entities that are shareholders of Veritas, companies in which the Group holds, even indirectly, an interest of less than 20%, and investees of non-controlling shareholders that are significant for the Group.

The following table presents the total amounts of the transactions with other related parties during the year:

(in thousands of euros)	2025 income from related parties	2024	2025 expenses with related parties	2024	2025 receivables due from related parties	2024	2025 payables due to related parties	2024
Actv spa	161	198			47	52		
Ames spa	37	162			26	53	7	7
Avm spa	585	565	142	124	264	271	66	69
Inst. Bevilacqua La Masa Foundation								
La Biennale Foundation	62	69			32	20		
Casinò di Venezia gioco spa	111	102			19	17		
La Fenice Theater Foundation	8	7			1	1		
Insula spa	20	107	7	7	3	11	2,446	3,490
Ive srl *in liquidation*	31	12			2			
Venice City Museums Foundation	37	193			5	5		
Tourist accommodation centers	4	4			1	1		
Venezia spiagge spa	161	118			60	44		
Consorzio Urban *in liquidation*	36	77			35	391		
Vega scarl *in liquidation*	77	120	15	50	20	27	308	286
Vela spa	111	112	6	6	32	21	2	2
Venis spa	1	1	54	54			14	
Venice Lagoon Basin Council			658	694			329	392
Bioman spa	4	887	7,327	7,268	243	148	4,014	2,900
Caorle City of Sport Foundation	16	21			3	4		
Venice environment basin council			256	221	24	19	256	371
Eraclea patrimonio e servizi srl	2	1						
Jesolo patrimonio srl	6	6	17	11	1	2	560	318
Jtaca srl	2	1			1			
Jesolo tourism spa	280	229			23	14		
Azienda speciale Don Moschetta	64	83			13	5		
Musile servizi e patrimonio srl *in liquidation*								
Sibelco green solutions srl		996		174				
Serimi srl	40	48			-2			
Sst spa	69	60	2		43	37		4
Viveracqua scarl	84	94	261	280	14	23	-34	15
Assoc. Conf. sindaci Riviera del Brenta								
Artclima srl								
Farmacia Concordia srl								
Other related parties								
Total	**2,009**	**4,273**	**8,745**	**8,889**	**910**	**1,166**	**7,968**	**7,854**

Bioman spa's trade transactions refer to Eco+Eco srl, Metalrecycling Venice srl and the parent company.

The payables due to related parties include operating lease payables of € 3 thousand due to Avm, € 207 thousand due to Vega, € 595 thousand due to Bioman, € 458 thousand due to Jesolo patrimonio by the parent company, € 275 thousand due to Bioman by its parent Eco+Eco, and € 90 thousand due to Vega by Sifa.

The payables due to Insula refer to the parent company's acquisition of tax credits, corresponding to the € 2,083 thousand not yet recovered from the tax authorities and a € 363 thousand financial payable from Sifa.

The transactions with the other related parties are carried out on an arm's length basis.

Remuneration of the Board of Directors and the Board of Statutory Auditors

In accordance with Legislative Decree 127/1991, Article 38, the remuneration of directors and statutory auditors for the performance of their functions, including in other companies within the scope of consolidation, is disclosed hereunder. The corporate policy is not to pay additional remuneration for activities performed by parent company directors in other subsidiaries. Therefore, the total remuneration corresponds to the amount recognized in Veritas spa.

(in thousands of euros)	2025	2024
Board of Directors		
remuneration for the role	169	169
other fees	90	90
other benefits	30	30
total costs for services	**289**	**289**
Board of Statutory Auditors		
remuneration for the role	89	89
other fees		
other benefits	5	5
total costs for services	**94**	**94**

Independent auditor fees for audit and non-audit services

The 2025 fees for the auditing firm for services rendered to the parent company and its subsidiaries are presented below:

(in thousands of euros)	2025	2024
fees paid to the auditing firm for the parent company's audit	227	247
fees paid to the auditing firm for the subsidiaries' audits	179	181
Fees paid to other firms in the parent company's auditors' network for affiliate audit services		
fees paid for audit services	**406**	**428**

(in thousands of euros)	2025	2024
Fees paid to the auditing firm for audit services involving the issuance of a certificate of the parent company	29	29
Fees paid to the auditing firm for audit services involving the issuance of a certificate of the subsidiaries	2	4
Fees paid to other firms in the parent company's auditors' network involving the issuance of a certificate		
fees paid for audit services involving the issuance of a certificate	**31**	**33**

46. Financial risk management: objectives and policies

The main financial instruments used by the Group include bank loans, finance and operating leases, direct and indirect factoring contracts, sight and short-term bank deposits, and the issuance of bond notes. The main purpose of these instruments is to fund the Group's operations and investments. The Group has other types of financial instruments deriving from its operating activities, such as trade payables and receivables.

The Group does not enter into speculative derivative transactions; it enters into derivative transactions solely to purely hedge (with swaps) or to limit (with caps) the risk of interest rate changes, or to limit changes within a pre-defined range (with collars).

The Group's policy is, and has been in previous periods, not to trade financial instruments.

The main risks generated by the Group's financial instruments are interest rate risk, liquidity risk and credit risk. Price risk is not significant because the Group operates mostly in regulated industries, where rates are regulated and subject to approval by the relevant authorities. The parent company's Board of Directors reviews and approves the policies to manage these risks, which are summarized below.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates mainly to the long-term bonds with variable interest rates assumed by the Group.

The Group's policy is to manage the finance cost by using a combination of fixed and variable borrowing rates.

It also excludes entering into derivative instruments for non-hedging purposes.

With respect to the sensitivity to interest rate fluctuations and the impact that it could have on profit and equity, most existing loans are at fixed rates or at variable rates hedged by derivatives; therefore, even substantial interest rate changes would have an non-material impact on the Group's profit or equity.

Credit risk

The Group considers its credit risk to be normal and consistent with the industry dynamics.

Billing receivables (for Veritas spa) are by nature fragmented because they are spread over a very large number of users and have modest average amounts.

The default rate for waste management receivables (Tarip) has historically been around 5.8%, a low-to-medium rate for the sector, and it improved slightly since the prior year.

After the transition to Tari, credit risk in its past and present (and therefore future) dimension is substantially borne by the municipalities, either directly or indirectly, and must be taken into account in the final formulation of the rate.

In the water sector, where default rates are historically lower, the default rates were approximately 1.14% of turnover, even in this case an improvement of the previous year's levels and below the national industry average.

The credit risk relating to the Group's other financial assets, which include cash and cash equivalents, other equity investments, loan certificates and derivative instruments, presents a maximum risk in the event of counterparty default equal to the carrying amount of those assets.

Liquidity risk

The Group controls liquidity risk using a liquidity deployment planning tool. This instrument considers the maturity of the financial investments, financial assets (trade receivables and other financial assets), and the expected cash flows from operating activities.

The liquidity risk is the risk that the financial resources available may be insufficient for meeting the short-term obligations, consisting of approximately € 45.9 million on bank loans and € 2.6 million on bonds due by December 31, 2026, and for handling any decreases in working capital.

The Group's objective is to maintain a balance between funding and flexibility by using overdrafts, loans and, to a lesser extent, finance and operating leases and factoring transactions. Under the Group's policy, no more than 20% of long-term loans are due within 12 months. At December 31, 2025, less than 20% of the long-term financial debt was due to mature within one year.

At December 31, 2025, the Veritas Group had undrawn credit lines of approximately € 125.7 million, up from the € 120.6 million at December 31, 2024.

The concept remains that the operational investment plans, which continue mainly in the water sector (and thus concern the parent company), are counterbalanced by the rate adjustments set by the water authorities.

Work continues on implementing a municipal waste management rate/tax on a fee/quantitative basis to achieve greater fairness for users and more control for municipalities, which also has the effect of returning direct finance to the Group, eliminating strains on working capital and increases in finance costs.

In 2025, the Group obtained additional long-term bank loans totaling € 119 million.

Also in 2025, short-term financial management tools were used, mainly direct factoring contracts, whereas indirect (reverse) factoring contracts continue to be used marginally; in addition, new finance leases were stipulated in the period.

The 2025 changes in the financial payables are presented below. Additional information is provided in the statement of cash flows.

(in thousands of euros)	Dec. 31, 2024	bond note redemption	loans secured	loan repay-ments	increase/ decrease in payables	other non-financial changes	leases entered into	leases ended	Dec. 31, 2025
bank borrowings and loans	266,246		119,000	-63,843		-866			320,537
financing from other lenders	55,934		5,000		1,232	828	17,747	-99	80,642
financial payables due to associates	0								
loan payables due to shareholders	8,405			-71	-907	273	1,191	-1,914	6,977
other financial payables (derivatives)	1293					-675			618
convertible and non-convertible bonds	133,208	-2,620				124			130,712
total financing	**465,086**	**-2,620**	**124,000**	**-63,914**	**325**	**-316**	**18,938**	**-2,013**	**539,486**

Capital management

The Group's net debt is € 403,559 thousand at December 31, 2025 (€ 361,816 thousand at December 31, 2024), and its total equity is € 344,349 thousand at the same date.

The ratio of net financial debt to equity, which indicates the balance between external and internal funding, was 1.17 at December 31, 2025 (1.04 at December 31, 2024).

Fair value measurement and hierarchy

A comparison between the carrying amount and the fair value by category of all the Group's recognized financial instruments did not reveal any significant differences, other than those presented, to be reported.

All the financial instruments recognized at fair value can be classified into the three categories defined below:

- *level 1* quoted market prices;
- *level 2* valuation techniques (based on observable market data);
- *level 3* valuation techniques (not based on observable market data).

The fair value of the derivatives and loans was calculated by discounting the expected cash flows using the prevailing interest rates. The fair value of bonds and other financial assets was calculated using market interest rates.

At December 31, 2025, the Group held the following financial instruments measured at fair value:

(in thousands of euros)			Dec. 31, 2025		Dec. 31, 2024	
type	bank	residual notional amount	fair value assets	fair value liabilities	fair value assets	fair value liabilities
IRS	Ubi 2019	0			20	
IRS	Bpm 2020	3,000	33		163	
IRS	Bnl 2020	3,000	33		163	
Collar	Bnl 2023	9,231		-131		-207
Collar	F2i 2023	25,000		-278		-635
IRS	Bpm 2024	18,462	51			-82
IRD	Bper 2025	19,000	36			
IRS	Bnl 2021	0			214	
IRS	Bpm 2021	0			87	
IRS	Unicredit 2021	0			87	
IRS	Mps 2024	14,375		-209		-369
total derivative financial instruments		**92,068**	**153**	**-618**	**734**	**-1,293**

All the assets and liabilities measured at fair value at December 31, 2024 are classifiable within level 2 of the fair value hierarchy.

47. Segment information

IFRS 8 requires the Group to report information about its operating segments to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates.

The standard defines an operating segment as:

- "a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available".

The amount of each segment item reported must correspond to the assessment reported to the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing its performance.

The Group has identified the following segments as the basis for segment reporting:

- *Waste management segment*: includes sweeping, integrated waste cycle activities (waste collection, sorting and recycling, transport, treatment, disposal and brokering), operation of industrial plants and post-closure care of landfills.
- *Integrated water service segment:* includes activities related to the drinking water cycle for domestic and industrial use (water withdrawal, treatment, pumping and distribution), activities related to the domestic and industrial wastewater cycle (collection, treatment, cleanup), engineering activities, laboratory analysis and operation of the Venice fire protection systems.
- *other services segment:* includes collective urban services (cemetery services, crematorium operation, special services for Venice, restroom management, environmental remediation, public works) and energy-related activities (photovoltaic systems, district heating, heat management, public lighting, biogas-biomethane-hydromethane).

These segments include activities both regulated and not regulated by Arera.

Waste management service

- sweeping
- *integrated waste cycle*
  - collection
  - sorting and recycling
  - transportation
  - treatment
  - disposal
  - brokerage
- industrial plant operation
- landfill post-closure care

Integrated water service

- *drinking water cycle for domestic and industrial use*
  - withdrawal
  - treatment
  - pumping
  - distribution
- *domestic and industrial wastewater cycle*
  - collection
  - treatment
  - cleanup
- *engineering*
- *laboratories*
- *fire protection system in Venice*

Other services

- cemetery services
- crematorium operation
- special services for Venice
- restroom management
- environmental reclamation
- photovoltaic systems
- district heating
- heat management
- public lighting
- biogas-biomethane-hydromethane
- public works

The Group's directors monitor separately the results achieved by the business units in order to make decisions about allocating resources and assessing the performance.

The performance of the segments is assessed for statement of profit or loss purposes on the basis of the operating income (EBIT) and for statement of financial position purposes based on the fixed assets.

Structural expenses and income are reversed to the individual business units according to performance drivers, consistent with unbundling regulations.

The fixed assets of the corporate segment regard structural assets.

Intra-segment revenues are eliminated on consolidation and are reflected in the "adjustments and eliminations" column hereunder.

2025 results by operating segment (in thousands of euros)	waste management service	integrated water service	other services	adjustments and eliminations	total
revenues from sales and services	308,519	197,671	26,692	0	532,882
other income	1,772	2,411	2,511	0	6,694
intra-segment revenues	139	551	1,223	-1,913	0
corporate revenues	7,761	5,382	659	0	13,802
total net revenues	**318,191**	**206,015**	**31,085**	**-1,913**	**553,378**
costs for raw and ancillary materials and consumables used	-28,576	-20,249	-998	0	-49,823
costs for services	-87,266	-51,355	-17,094	0	-155,715
costs of use of third-party assets	-2,107	-3,710	-66	0	-5,883
personnel costs	-110,358	-42,036	-9,017	0	-161,411
other operating expenses	-4,046	-3,369	-238	0	-7,653
intra-segment operating expenses	-1,774	-133	-6	1,913	0
corporate operating expenses	-35,433	-26,845	-4,272	0	-66,550
total operating expenses	**-269,560**	**-147,697**	**-31,691**	**1,913**	**-447,035**
EBITDA	**48,631**	**58,318**	**-606**	**0**	**106,343**
allocations to provisions for risks and charges	-1,324	-969	253	0	-2,040
allocations to provisions for corporate risks and charges	-218	-150	-6	0	-374
amortization, depreciation and impairment losses	-27,372	-26,396	-2,701	0	-56,469
corporate amortization, depreciation and impairment losses	-3,972	-4,538	-1,102	0	-9,612
operating profit/(loss)	**15,745**	**26,265**	**-4,162**	**0**	**37,848**

2024 results by operating segment (in thousands of euros)	waste management service	integrated water service	other services	adjustments and eliminations	total
revenues from sales and services	282,977	209,714	28,657	0	521,348
other income	122	826	1,144	0	2,092
intra-segment revenues	136	310	0	-446	0
corporate revenues	7,967	3,813	502	0	12,282
total net revenues	**291,202**	**214,663**	**30,303**	**-446**	**535,722**
costs for raw and ancillary materials and consumables used	-27,707	-20,534	-1,065	0	-49,306
costs for services	-80,273	-51,777	-17,935	0	-149,985
costs of use of third-party assets	-2,020	-3,444	-72	0	-5,536
personnel costs	-106,612	-39,594	-8,860	0	-155,066
other operating expenses	-3,051	-2,718	-164	0	-5,933
intra-segment operating expenses	-310	-136	0	446	0
corporate operating expenses	-38,048	-23,470	-3,527	0	-65,045
total operating expenses	**-258,021**	**-141,673**	**-31,623**	**446**	**-430,871**
EBITDA	**33,181**	**72,990**	**-1,320**	**0**	**104,851**
allocations to provisions for risks and charges	-2,195	-907	-33	0	-3,135
allocations to provisions for corporate risks and charges	-1,242	-576	-236	0	-2,054
amortization, depreciation and impairment losses	-26,470	-24,511	-1,642	0	-52,623
corporate amortization, depreciation and impairment losses	-4,290	-4,201	-974	0	-9,465
operating profit/(loss)	**-1,016**	**42,795**	**-4,205**	**0**	**37,574**

fixed assets by operating segment at Dec. 31, 2025 (in thousands of euros)	waste management service	integrated water service	other services	corporate	total
intangible assets	9,498	2,233	652	4,902	17,285
service concession arrangements	0	376,873	0	0	376,873
goodwill	20,435	3,253	0	0	23,688
property, plant and equipment	351,249	66,234	46,960	78,540	542,983
investment property	0	0	0	7	7
total fixed assets	**381,182**	**448,593**	**47,612**	**83,449**	**960,836**

fixed assets by operating segment at Dec. 31, 2024 (in thousands of euros)	waste management service	integrated water service	other services	corporate	total
intangible assets	10,157	1,448	721	4,720	17,046
service concession arrangements	0	360,452	0	0	360,452
goodwill	20,435	3,253	0	0	23,688
property, plant and equipment	296,834	71,502	45,978	74,653	488,967
investment property	0	0	0	10	10
total fixed assets	**327,426**	**436,655**	**46,699**	**79,383**	**890,163**

48. Disclosure obligations under Law 124/2017, Article 1, paragraph 125

In accordance with Law 124, Article 1, paragraph 125 *et seq*. of August 4, 2017, as amended by Decree Law 34/2019, Article 35, the public funding received by the Group in 2025 is set out below.

Public funding means grants, subsidies, benefits, contributions or aid, whether in the form of money or in-kind, that are not general and do not have a nature of consideration, remuneration or compensation (Law 124/2017, Article 1, paragraph 125).

In accordance with the regulations, the list excludes funding of less than € 10,000 per beneficiary and general grants, or benefits received on the basis of an aid scheme that rewards all parties that meet specific conditions set out by law.

grantor	Group beneficiary	type of public funding	amount in euros	present in National State Aid Register
Fondimpresa	Veritas spa	Training plan to strengthen and expand Veritas staff skills	266,520	
Fondirigenti	Veritas spa	FDIR 35743 and 37988 training plan	10,957	
Veneto Region	Veritas spa	Construction of new water and sewage pipelines to connect the Valli hamlet to the Ca' Bianca hamlet in the Municipality of Chioggia	375,949	
Veneto Region	Veritas spa	Separate sewerage network in Villaggio San Marco a Mestre - Venice, lots III and IV	798,252	
Veneto Region	Veritas spa	Sewer system upgrading in Chioggia old town center, calle larga Bersaglio, calle San Nicolò and calle Cesare Battisti	105,076	
Veneto Region	Veritas spa	OCDPC-906-1 project – installation of water pipeline between the Brian canal and the Boccafossa drinking water plant	429,472	
Energy and Environmental Services Fund (CSEA)	Veritas spa	2022-2023 technical quality regulation incentive incentives (RQTI)	526,670	
Iww Beratungs Gmbh	Veritas spa	Horizon EU-B-WaterSmart project	108,107	
Ministry of Infrastructure and Transport	Veritas spa	Price adjustment provision Le. Decree 50/2022, Art. 26	197,527	
Energy and Environmental Services Fund (CSEA)	Veritas spa	Modsen research project contract - Model of saving electric energy from organic waste fermentation	196,948	X
Venice Lagoon Basin Council	Veritas spa	Grant for Orbitrap mass spectrometer purchase	100,000	
Eastern Alps River Basin Authority	Veritas spa	Misp project – experimental measures in the waterways of the Eastern Alps district to capture floating debris in the drainage basin leading to the Venice lagoon and in the lagoon itself	231,998	
Municipality of Venice	Veritas spa	Work under the Mite Development and Cohesion Plan (former 2014-2020 FSC Environment Operational Plan) for improvements to the integrated water service - special index 23053 of June 23, 2022	10,357,460	
Municipality of Chioggia	Veritas spa	Sewer system upgrading in Chioggia old town center, calle larga Bersaglio, calle San Nicolò and calle Cesare Battisti	210,151	
Energy Services Operator – Gse	Veritas spa | Depuracque	Photovoltaic systems grant	69,974	
Energy Services Operator – Gse	Eco+Eco srl	Thermal energy efficiency incentive (Conto Termico) tax credit	10,052	
ASI- Italian Space Agency	Veritas spa	Biomoon Plan: Low gravity biorefinery platform	66,914	
National Packaging Consortium (Conai)	Veritas spa	Local communication projects - Anci Conai framework agreement - 2024 tender	48,947	
Erion WEEE	Veritas spa	Subsidies for WEEE management	186,071	
Erp Italia consortium	Veritas spa	Subsidies for WEEE management	18,732	
Ecoped consortium	Veritas spa	Subsidies for WEEE management	29,682	
Pv Cycle Italia consortium	Veritas spa	Subsidies for WEEE management	54,816	
Consorzio Ecolight	Veritas spa	Subsidies for WEEE management	35,688	
Cobat WEEE	Veritas spa	Subsidies for WEEE management	45,509	
Italian Customs and Monopolies Agency	Veritas spa | Depuracque Eco+Eco srl	Subsidy on haulage diesel excise duties	385,512	
Italian Customs and Monopolies Agency	Veritas spa Eco+Eco srl	Subsidy on motive power diesel excise duties	59,571	
Ministry of Economic Development	Eco+Eco srl	Special rates for energy-intensive businesses as per Ministry of Economic Development Decree of Dec. 21, 2017, Article 3	456,796	
Ministry of the Environment and Energy Security	Eco+Eco srl	PNRR-M2C2 - Hydrogen Valley Venice Project	350,000	
Ministry of Enterprise and Made in Italy	Veritas spa	Ecobonus for electric quadricycles and motorcycles - Pres. Decree of May 20, 2024	12,000	
INPS	Veritas spa | Lecher srl | Asvo spa | Metalrecycling srl Sifa scpa	Exemption from social security payments under Law 178/2020, Art. 1, para. 10-15	230,089	X
INPS	Veritas spa | Lecher srl Asvo spa	Exemption from social security payments under Law 197/2022, Art. 1, para. 297	29,212	X
		total for Veritas Group	**16,004,652**	

49. Subsequent events

Equity investments and business unit acquisitions

The process of merging Asvo into Veritas is concluding. It began with Asvo's lease of its waste management business unit to Veritas on January 1, 2024, it continued in 2025 with Veritas' purchase of all Asvo shares, and it will end with the absorption merger of Asvo into Veritas at the end of 2026.

On January 12, 2026, Veritas arranged for a € 2.1 million payment to Impresa di Costruzioni Ing. Mantovani spa (undergoing composition with creditors proceedings) by way of subrogation pursuant to Italian Civil Code Article 1201 from the debtor Sifa, referring to a financial receivable not previously assigned to Veritas.

By the subscription deadline in February 2026, shareholder Trevisan spa participated in the share capital increase by paying its quota (share capital and premium) of € 294 thousand. As a result of this increase, the ownership composition is as follows: Veritas spa 71.31%, Asvo spa 9.37%, Bioman spa 14.98%, Agrilux srl 1.90%, Trevisan spa 1.05%, Savno srl 0.76%, Idealservice scarl 0.64%.

Current scenarios of economic crisis

Uncertainties stemming from geopolitical and economic crises are still present in 2026 with the ongoing Russia-Ukraine war and especially the outbreak of the new conflict in the Middle East between the U.S. and Iran, which has caused energy, gas and fuel prices to rise, and the risk that this could lead to a new inflationary spiral and consequently higher interest rates, as happened in 2022. The Group is monitoring the impacts of these economic scenarios, particularly in its measurement of expected credit losses and especially as regards billing.

Water rate regulation

The Venice Lagoon Basin Council is conducting a preliminary review to update Veritas' 2026–2027 water rates, pursuant to Arera Resolution 582/2025/R/idr of December 23, 2025, within the scope of the Mti-4 rate method in effect for 2024–2029.

Arera's decisions are pending regarding the recognition of the rewards and penalties related to the incentive mechanisms for the measured technical and contractual quality for 2024–2025.

Waste rate regulation

The Venice Environmental Basin Council's Resolution 5 of April 30, 2026 approved the 2026–2029 financial plans prepared using the new Arera Mtr-3 method. Confirmation is pending from the municipalities that they have acknowledged the approved financial plans and adopted the 2026 rate package, which must be approved by July 31, 2026.

in 2026, a two-year monitoring period is planned for accounting unbundling in the waste sector, defined in Resolution 373/2025/R/rif of July 29, 2025, prior to its entry into force on January 1, 2028.

Activities are currently underway to begin implementing in 2026 the waste social bonus contemplated in Arera Resolution 355/2025/R/rif of August 29, 2025.

Business management

As of 2026, the waste management service for the Cavarzere municipality is now also carried out with the Tarip punctual rate system, instead of the Tari tax system.

VAT litigation on Tia

On the matter of Veritas' appeals concerning the Italian Revenue Agency's failure to refund VAT under the refund claims filed by Veritas after it had refunded the users, subsequent to Ruling 260 of March 20, 2025 of the Venice Court of First Instance, which ordered the Revenue Agency to pay the amounts claimed and to reimburse Veritas's legal fees, further rulings in favor of Veritas and against the Revenue Agency have followed (Rulings 640/2025, 641/2025, 680/2025, 814/2025, 820/2025, 114/2026, 117/2026, 118/2026, 134/2026, 193/2026, and 196/2026, all issued by the Venice Court of First Instance).

In March 2026 Veritas filed a claim for damages against the Ministry of Economy and Finance and the Revenue Agency regarding the expenses incurred in litigation against users from 2011 to 2025, on the grounds that the principle of legitimate expectations and good faith in the law had been violated, demanding reimbursement of € 5.9 million.

2.7 Auditors' reports

2.7.1 Board of statutory auditors' report

Board of Statutory Auditors' Report on the 2025 Financial Statements (Civil Code Article 2429, paragraph 2)

For the shareholders of Veritas spa
(Veneziana energia risorse idriche territorio ambiente servizi)

With this report, drawn up pursuant to Italian Civil Code Article 2429, paragraph 2, the Board of Statutory Auditors describes the supervisory and control activities performed in fulfillment of our duties during the year ended December 31, 2025.

Supervisory activities

During the year ended December 31, 2025, our supervisory activities were informed by the legal provisions and the rules of conduct for statutory auditors recommended by the Italian Accounting Profession (CNDCEC). The CNDCEC rules of conduct that we followed are those updated to December 2024 for unlisted companies and, where deemed more effective, those of December 2024 for listed companies.

This report shall inform you of such activities and the results obtained.

Oversight of compliance with the law and the by-laws

In the performance of our supervisory and control activities, we periodically obtained from the directors, including by attending Board of Directors meetings, information on the activities carried out and on the most significant economic, financial and equity transactions resolved upon and implemented by Veritas and its subsidiaries, ensuring that all such actions were in compliance with the law and the company's by-laws and were not manifestly imprudent, risky, in potential conflict of interest or such as to compromise the integrity of the company's net worth. Except in specific cases, the meetings of the Board of Directors are scheduled at the start of the year and take place monthly.

We regularly attend as guests the Coordination and Control Committee meetings of Veritas spa's shareholder municipalities, formed in accordance with Article 40 of the by-laws to ensure decisive influence with the General Meeting over the company's strategic objectives and significant decisions.

Concerning the annual financial statements as a whole, we found that the Board of Directors, in its Report on Operations and the Notes to the Financial Statements, has provided adequate disclosures on related-party transactions (Note 46), in consideration of the regulations in force. To the best of our knowledge, there were no intra-Group or related-party transactions in 2025 that conflicted with the company's interests.

During 2025, Veritas did not carry out any atypical or unusual transactions with third parties or related parties (including Group companies). As far as major transactions of an ordinary nature are concerned, they are all within the limits of prudence, do not conflict with General Meeting resolutions, and are not detrimental to the company's assets.

Supervision of the adequacy of the internal control system, risk management systems and organizational structure

We have:

- as within our competence, monitored the adequacy of the company’s organizational structure, including by gathering information from the directors and department heads;
- conversed with senior management to review, among other things, the internal control system and the measures in place to monitor material risks.

The internal control and risk management system consists of the set of rules, procedures and organizational structures designed to facilitate sound, fair management consistent with the established objectives through an adequate system of identification, measurement, management and monitoring of the principal risks.

Such a system involves several parties, who interact in a coordinated manner according to their responsibilities:

I. guidance and strategic supervision, by the Board of Directors and General Manager;

II. mitigation and management, by the management team;

III. monitoring and support to the Board of Directors for risk control and management, by the Head of Internal Audit (HIA);

IV. oversight, by the Board of Statutory Auditors.

Although it does not have a separate Internal Audit department, the company has developed a process of formalizing and structuring concretely functioning activities that act as and implement the internal control system, headed by the Board of Directors and the General Manager.

Overseeing internal audit activities and therefore acting as the Head of Internal Audit (HIA) is the person in charge of sustainability, environment and safety, who reports directly to the General Manager. The HIA is also in charge of Team 231 – in this role reporting directly to the Board of Directors – with specific responsibilities for the prevention and control of the crimes contemplated by Legislative Decree 231/2001.

The HIA has an appropriate level of independence and enough resources to perform the role. The position entails assisting the directors and statutory auditors in verifying the adequacy, full operation, and effective functioning of the internal control and risk management system and proposing corrective measures in the event of anomalies, irregularities and/or deficiencies.

The HIA reports to the Directors and General Manager in charge of the internal control and risk management systems, as well as to the Board of Statutory Auditors.

The HIA's main function is to assess the capacity of the internal control and risk management system to assist the effective achievement of the objectives assigned to individual departments, in light of qualitative/quantitative risk factors and the likelihood that they will influence the achievement of such objectives.

This is ensured through:

- the performance of assurance services (audit and complementary activities, known as third-level checks, aimed at assessing governance, risk management and control processes) and consulting;
- overseeing the implementation of improvement plans through continuous monitoring and specific follow-ups when the original issues are especially significant and complex.

The HIA performs the same function at subsidiaries without their own audit departments, acting in their interest and reporting to their respective bodies.

The internal control and risk management system also includes the "231 Organizational Model" aimed at preventing the commission of offenses for which the company may be held liable under Legislative Decree 231/2001. The 231 Organizational Model calls for the appointment of a Compliance Committee with autonomous powers of initiative and control, which oversees the functioning and observance of the Model itself and makes recommendations for its updating.

The duties of the Compliance Committee are distinct from those of the Board of Statutory Auditors because of the number and complexity of the topics already covered by the statutory auditors and the specific nature of the Committee's tasks.

The risk management system also covers the market abuse regulation on corporate disclosures and internal dealing, with particular reference to the handling of inside information.

This is relevant to Veritas as the issuer of the following bond notes:

- the € 100 million bond issued first in 2014 and subsequently in December 2020, duration 7 years, listed on the Irish Stock Exchange (*Euronext Dublin-ISE*);
- the € 15 million Viveracqua Hydrobond issued in 2014 by the former Asi, duration 20 years, listed on the ExtraMot Pro in Italy;
- the € 25 million bond issued in December 2021, duration 17 years (private placement for professional investors).

In conclusion, based on the activities performed and the information acquired by the HIA, we consider the internal control system, the risk management system, and the organizational structure to be proportionate to the Company's size and complexity and to the nature and manner of its pursuit of the corporate purpose. In addition, regarding the 2025 reporting period, we find no significant shortcomings in the internal control system.

Oversight of the administrative-accounting system, financial reporting process and sustainability reporting process

In our role as internal control and audit committee, we monitored the process and checked the effectiveness of the internal control and risk management systems as they concern financial reporting.

As recommended by standard of conduct Q.3.6, in order to monitor the production of financial information and ensure its integrity, accuracy, reliability, and completeness, we met periodically with the Controller and department heads to exchange information on the administrative-accounting system and on its reliability to correctly represent the business events.

In these meetings, during which we examined company documentation and reviewed the findings of the independent audit firm, no significant deficiencies in the operational and control processes emerged that could affect the opinion on the adequacy and effective application of the administrative and accounting procedures.

We also took note of the controls developed by the Controller's office with regard to the subsidiaries in the scope of consolidation, from which no critical issues emerged. We met with the supervisory bodies of the main subsidiaries and obtained the same information about the main business matters, the respective annual reports at the General Meeting and the independent auditors' reports.

In our role as internal control and audit committee, and for the purpose of monitoring the independent audit and stating observations on the additional report prepared under Article 11, we received from the independent auditors information about the methodological system adopted and with them took into account the:

- ways of identifying the materiality thresholds;
- evaluations made when planning the audit with respect to the composition and depth of the

various possible audit procedures;

- audit approach adopted and its consistency with the considerations made about the reliability of the internal control system;
- planning and execution of the audits at the main subsidiaries;
- time employed per professional qualification level, including with respect to the expectations;
- progressive assessment of risks, distinguishing those that will be included in the additional report; the methodologies used, including the impact of any changes to such methodologies, in assessing the financial statements areas, particularly those most subject to estimates.

In periodic meetings, the audit firm Deloitte & Touche SpA did not report to us any critical situations that might affect the internal control system as concerns the administrative and accounting procedures, nor any wrongdoing or irregularities.

The Sustainability Report is discussed in the section of this Report dedicated to the Group Annual Report.

In the light of the above, therefore, there is no evidence to suggest that business was not conducted following the principles of fair administration, nor that the organizational structure, the internal control system, or the accounting-administrative system are not, as a whole, adequate for the entity's needs and size.

Oversight activities pursuant to Legislative Decree 39/2010

In our role as internal control and audit committee, we oversaw the operations of the independent audit firm as required by Article 19 of Legislative Decree 39/2010.

As mentioned, in accordance with CIVIL CODE Article 2409 septies and as recommended by standards of conduct 5.3 and Q.5.3, we interacted during the year with the independent audit firm to exchange data and information concerning the activities performed in accordance with respective duties.

The independent auditors never informed us of any facts, circumstances, or irregularities that needed to be brought to our attention, and thus mentioned in this report.

As mentioned above, the independent auditors provided us with the Additional Report required by Article 11 of Regulation (EU) 537/2014, issued to the Board of Statutory Auditors in advance and provided yesterday to the company, which we will bring to the attention of the Board of Directors.

The Additional Report does not list any significant shortcomings in the internal control system concerning the financial reporting process worthy of being brought to the attention of those responsible for governance.

On June 10, 2026, the audit firm issued the annual statement of independence required by Article 6 of Regulation (EU) 537/2014, from which no circumstances emerge that might compromise the audit firm’s independence or constitute grounds for incompatibility under the aforementioned decree.

Moreover, we acknowledged Deloitte's *Transparency Report* containing the disclosures required by Article 13 of Regulation (EU) 537/2014 referring to the fiscal year ended May 31, 2025, approved by the Board of Directors on September 29, 2025, prepared by the audit firm and published on its website in accordance with Legislative Decree 39/2010, Article 18.

The company has established suitable controls regarding the fees paid to the audit firm.

In 2025, other than the audit of the separate financial statements, the consolidated financial statements, the limited review of the Group sustainability report pursuant to Leg. Decree 39/2010, Article 14 bis, and the financial statements of the subsidiaries, Deloitte & Touche spa was given no additional audit-related assignments (which require prior authorization from the parent company's Board of Statutory Auditors).

In 2025 Deloitte & Touche spa communicated that it had received the following engagements for audit services (that do not require prior authorization from the parent company's Board of Statutory Auditors):

- from the subsidiary Eco+Eco srl, to audit as required the company's receivable and payable balances with shareholders (Municipality of Jesolo), pursuant to Legislative Decree 118/2011, Article 11, paragraph 6(j); the engagement resulted in a € 1,000 change in fees;
- from the subsidiary Depuracque spa, to audit the statement drawn up to demonstrate the existence of the financial standing requisites of road transportation operators, pursuant to Regulation (EC) 1071/2009, Article 7, paragraph 1; the engagement resulted in a € 1,000 change in fees.
- from the subsidiary Eco+Eco srl, to audit as required by law the statement of expenses incurred by the company between January 1, 2025, and November 15, 2025 for capital expenditures intended for production structures that already exist or that will be installed in the simplified logistics zones, planned pursuant to Decree Law 202, Article 3, paragraph 14-octies of December 27, 2024, extending the application of Decree Law 60, Article 13 of May 7, 2024, and to Minister for European Affairs, the South, Cohesion Policies and the NRRP (National Recovery and Resilience Plan) decree dated August 30, 2024; the engagement resulted in a € 14,000 change in fees.

Interactions with the Compliance Committee under Article 6(1)(b) of Legislative Decree 231/2001

In performing our duties, we met with the Compliance Committee established under Legislative Decree 231/2001 in order to collaborate and coordinate our respective control activities. Our meeting was held in full compliance with the standards of conduct laid down by the Italian Accounting Profession.

No issues to be brought to the shareholders' attention emerged from this meeting.

Through the Compliance Committee's *Annual Report* issued on February 24, 2025, brought to the attention of the directors and statutory auditors at the Board of Directors' meeting of March 20, 2025, we acquired information on the Committee's activities pertinent to the *Organizational, Management and Control Model pursuant to Legislative Decree 231/2001*.

The Compliance Committee's *Annual Report* provided a comprehensive overview of the activities carried out during 2025, with particular reference to the:

- internal operation of the Compliance Committee, in synergy with the other corporate functions in charge of control and management;
- planning and execution of supervisory activities under the *Organization, Management and Control Model pursuant to Leg. Decree 231/2001*;
- handling of notifications received, including any follow-up investigations or controls;
- assessment of the adequacy and updating of the *Organizational Model*, in relation to the company's organizational structure, size and operational complexity, and to the amendments of Leg. Decree 231/91: of particular importance for immediate applicability to the entity are the regulatory changes regarding the expansion of environmental crimes. The Report explains that the company has already begun to review its risk analysis and to rewrite its *Organization, Management and Control Model*.

Throughout 2025, the Compliance Committee did not report any information to the Board of Auditors regarding material facts, information or any critical issues concerning *Organizational Model*

231. This is in line with Article 6 of the Compliance Committee's Regulations which regulate the methods of communication and interaction with the corporate boards.

In the absence of any findings or deficiencies reported, we believe that *Organizational Model 231* is consistent with the company's organizational structure and is adequate with respect to the company's size and the complexity of its operations, taking into account the updating and re-writing underway.

The Board of Statutory Auditors is unaware of any events or situations to be reported to the General Meeting.

In the course of our supervisory activities and based on the information obtained, no complaints were filed under Civil Code Article 2408, nor were there any findings of omissions, inappropriate conduct, limitations, exceptions, irregularities, or significant facts that should require mention in this report.

We did not issue any opinions during 2025.

Separate financial statements

The separate financial statements of Veritas spa for the year ended December 31, 2025, drawn up in accordance with the Italian regulations that govern their preparation, and which show a profit of € 9,954,233 for the year, have been submitted for your review. The financial statements were made available to us within the legal time limit.

The draft financial statements for the year ended December 31, 2025, which the Board of Directors submits for your review and approval, were prepared in accordance with IAS/IFRS.

As a public-interest entity (PIE) that has issued bonds listed on regulated markets, Veritas is required to prepare financial statements using international accounting standards in accordance with Legislative Decree 38/2005.

The draft financial statements are therefore made up of:

I. a statement of financial position broken down into current and non-current assets and liabilities, based on whether they will be realized or settled as part of the normal operating cycle within or after 12 months from the end of the year;

II. a statement of comprehensive income that classifies income and expenses based on their nature, a method the directors deem most representative of the company's business segment;

III. a statement of cash flows prepared using the indirect method;

IV. a statement of changes in equity;

V. explanatory notes containing the information required by the applicable regulations and the international accounting standards, appropriately presented with respect to the format of the financial statements. The draft financial statements are accompanied by the Report on Operations, which describes the company's situation, performance, outlook and the significant events that took place during the year and after the year ended.

This set of documents was made available to us during the Board of Directors' meeting held on May 27, 2026.

The year shows a profit, as reported in the financial statements, which are consistent with the facts and the information that came to our attention in the course of performing our supervisory duties and exercising our powers of inspection and control. We have no observations in this regard.

Since we are not responsible for the legally mandated audit, we performed the supervisory activities envisioned by standards 3.8. and Q.3.6. of the rules of conduct for statutory auditors;

since we do not perform detailed controls over the separate and consolidated financial statement content, and we do not express an opinion on their reliability, we are responsible for checking the directors' compliance with the procedural rules for their formation, filing and publication. The independent auditors are responsible for verifying the correspondence to the accounting data.

We verified that, to the best of our knowledge, the directors, in preparing the financial statements, did not deviate from the accounting policies adopted.

As recommended by the rules of conduct for statutory auditors, we verified the:

- directors' compliance with the accounting standards adopted to prepare the financial statements;
- conformity of the statement of financial position, statement of profit or loss, statement of comprehensive income, statement of cash flows, and statement of changes in equity with the IAS/IFRS;
- proper disclosure in the notes to the financial statements of the measurement policies and their compliance with the law and the accounting standards;
- compliance of the Notes to the Financial Statements and the Report on Operations with Civil Code Articles 2427, 2427 BIS and 2428;
- completeness and clarity of the Notes to the Financial Statements and the Report on Operations, in accordance with the principles of truth, fairness and clarity required by law. We confirm that the Report on Operations contains adequate information on the internal control system and risk management, and that the information provided by the directors on related-party transactions regarding the business purpose is complete.

The independent auditors, Deloitte & Touche spa, delivered to us their *Independent Auditors' Report Pursuant to Article 14 of Legislative Decree 39 of January 27, 2010 and Article 10 of EU Regulation 537/2014 - Auditors' Report on the Separate Financial Statements* dated June 10, 2026, containing a clean opinion. As we were informed in advance, their report states that the separate financial statements for the year ended December 31, 2025 are presented clearly and give a true and fair view of Veritas spa's financial position, financial performance and cash flows for the year then ended. That opinion is consistent with the additional report for the Board of Statutory Auditors, in our role as internal control and audit committee, prepared in accordance with Article 11 of the EU Regulation.

The audit report on the separate financial statements identifies the following "key audit matters" of the audit and related audit procedures performed:

> *"Revenues from sales and services at December31,2025 include an amount of Euro 19,561 thousand in accrued and not yet invoiced revenues relating to the integrated water service.*
>
> *The revenues pertaining to the integrated water service are determined on the basis of the national rates regulation defined by the Regulatory Authority for Energy, Networks and the Environment through the rate mechanism called Mti-4. This mechanism provides for the rates to be determined on the basis of the costs incurred (so-called guaranteed revenue constraint - Vrg) and establishes the methods for regulating in subsequent years the differences between the Vrg and the amount invoiced to users on the basis of the volumes supplied and the tariff in force.*
>
> *We evaluate that the recognition of accrued and not yet invoiced revenues relating to the water service is a key aspect of the audit of the consolidated financial statements at December 31, 2025 due to the discretionary component inherent in the estimation nature of this recognition and the complexity of the calculation algorithms adopted by the Group to determine this estimate.*
>
> *The paragraph "Revenue recognition" states that as part of the Integrated Water Service, the Group calculates revenues for invoices to be issued estimating water consumption on the basis of a verification, specific to each user, of the historical trend of consumption.*

The paragraph "Revenue from rates" states that the revenues from the integrated water service are determined by reference to the accrued sales, adjusted for any positive or negative that are certain to be applied. The guaranteed revenues constraint (VRG) determines with certainty the amount of the adjustment, on the basis of the actual sales, for the year."

In the opinion of the independent auditors, the Report on Operations is consistent with the separate financial statements for the year ended December 31, 2025.

Consolidated financial statements

As required by law, the Board of Directors has prepared the consolidated financial statements of the Veritas Group at December 31, 2025, audited by Deloitte & Touche spa. The scope of consolidation clearly stated in the introduction to the Report on Operations has changed since the previous year, as a result of the following:

- as per law, Metalrecycling's sole shareholder Eco + Eco resolved to reduce Metalrecyling's share capital due to the losses exceeding one-third and subsequently recapitalize through the offset of receivables. Metalrecycling's new share capital is € 5,869 thousand, and the Group's ownership increased from 72.95% in 2024 to 80.84% in 2025;
- Depuracque servizi spa, together with Hexa Green, resolved a € 2,000 thousand pro-rata increase in Riva srl's share capital. The Group's stake in Rive srl remained unchanged at 70%;
- Eco+Eco acquired 55% of the quotas of its associate Ri.Cart Venezia srl, bringing its total ownership to 100%. The stake increased to 80.84% in 2025 from the 32.83% of 2024, so the company entered the scope of consolidation at December 31, 2025;
- the parent company acquired Asvo's entire share capital by purchasing the remaining shares (44.25% of share capital) held by the Portogruaro municipalities (Veritas shareholders), partly through the exchange of Veritas' treasury shares purchased specifically for the transaction, and partly through a cash payment. With the Municipality of Chioggia, the share purchase transaction was completed in January 2026, allowing for the transfer of the remaining shares to the Portogruaro municipalities and the completion of the share exchange. As a result, the Group's stake in Asvo increased from 55.75% in 2024 to 100% in 2025;
- At the end of December, Veritas subscribed to an additional share capital increase resolved by Eco+Eco srl to meet the financial commitments of the business plan whose investments were in progress. As a result of the € 20 million subscription, Veritas' interest in Eco+Eco is now 71.45% of the share capital (previously 66.88%); the capital increase was paid by offsetting with financial receivables for the same amount. The Group's stake in Eco+Eco is 80.84% in 2025, versus 72.95% in 2024.

Concerning the consolidated financial statements, according to standards of conduct 3.8 and Q.3.6, our only role is to supervise the compliance with the procedural rules on the preparation and layout of the financial statements and the Report on Operations; we have no obligation to issue a report or any formal opinion.

We verified the composition of the Group and the shareholding relationships as defined by Civil Code Article 2359 and Legislative Decree 127/1991, Article 26 and, within the parent company's organizational structure, the existence of an efficient and operational unit responsible for transactions with subsidiaries and affiliates.

On June 10, 2026, the independent auditors issued their *Independent Auditors' Report Pursuant to Article 14 of Legislative Decree 39 of January 27, 2010 and Article 10 of EU Regulation 537/2014 - Auditors' Report on the Consolidated Financial Statements*, which gives a clean opinion. As we were informed in advance, their report states that the consolidated financial statements for the year ended December 31, 2025 are presented clearly and give a true and fair view of the Veritas

Group's financial position, financial performance and cash flows for the year then ended. Moreover, in the independent auditors' opinion, the Report on Operations is consistent with the consolidated financial statements for the year ended December 31, 2025.

The audit report on the consolidated financial statements identifies the following “key audit matters”:

> *“Revenues from sales and services at December31,2025 include an amount of Euro 19,561 thousand in accrued and not yet invoiced revenues relating to the integrated water service.*
>
> *The revenues pertaining to the integrated water service are determined on the basis of the national rates regulation defined by the Regulatory Authority for Energy, Networks and the Environment through the rate mechanism called Mti-4. This mechanism provides for the rates to be determined on the basis of the costs incurred (so-called guaranteed revenue constraint - Vrg) and establishes the methods for regulating in subsequent years the differences between the VRG and the amount invoiced to users on the basis of the volumes supplied and the tariff in force.*
>
> *We evaluate that the recognition of accrued and not yet invoiced revenues relating to the water service is a key aspect of the audit of the consolidated financial statements at December 31, 2025 due to the discretionary component inherent in the estimation nature of this recognition and the complexity of the calculation algorithms adopted by the Group to determine this estimate.*
>
> *The paragraph "Revenue recognition" states that as part of the Integrated Water Service, the Group calculates revenues for invoices to be issued estimating water consumption on the basis of a verification, specific to each user, of the historical trend of consumption.*
>
> *The paragraph "Revenue from rates" states that the revenues from the integrated water service are determined by reference to the accrued sales, adjusted for any positive or negative that are certain to be applied. The guaranteed revenues constraint (Vrg) determines with certainty the amount of the adjustment, on the basis of the actual sales, for the year.”*

The consolidated sustainability report (“Report”) was prepared in accordance with Legislative Decree 125/2024, implementing CSRD Directive (EU) 2022/2464. The Report is an integral part of the Report on Operations included in the Group's Annual Report in section 2.1.5.

On January 1, 2024 the EU *Corporate Sustainability Reporting Directive* (Directive (EU) 2022/2464) ("CRSD") came into effect for entities, like Veritas, that prepared the *Non-Financial Statement*, requiring them to prepare a Sustainability Report in compliance with the European sustainability reporting standards (ESRS) issued in 2023 by the European Financial Reporting Advisory Group (Efrag). The CRSD introduced some important changes regarding the Non-Financial Statement, of which it constitutes an update: the new reporting standards require a "double materiality" approach as a criterion for including specific information in sustainability reports.

In accordance with the guidelines set out in rule of conduct Q.3.8 bis on the sustainability reporting oversight, the Board of Statutory Auditors performs an overall review of the accuracy of the process by which the Group sustainability report was prepared, and of the directors' adherence to the procedural rules for the preparation, filing, and publication of the sustainability report. It is not the Board of Statutory Auditors' responsibility to perform detailed controls over the Report’s content or to express an opinion on its conformity, because the external auditors are responsible for verifying the sustainability report’s compliance with the applicable regulations and ESRS standards.

This Board has obtained the certification from the delegated administrative body and the manager in charge of sustainability reporting, provided in accordance with the model established by Consob.

Under the transitional provisions of Leg. Decree 125/2024, the engagements assigned under Leg. Decree 254/2016 for NFR certification remain valid for the certification of compliance under the new Article 14 bis of Leg. Decree 39/2010 up to the previously agreed expiration date.

As the internal control and audit committee, the board of statutory auditors monitored the certification activities of the Group reporting by exchanging information with management and the auditing firm.

On June 10, 2026, the independent auditors issued their *Independent Auditors' Limited Assurance Report on the Group Sustainability Report Pursuant to Article 14 bis of Legislative Decree 39/2010*. The Report sets forth the opinion in the *limited assurance engagement* form stating that nothing came to the auditors' attention that caused them to believe that the Group sustainability report for the year ended December 31, 2025 was **not** prepared, in all material respects, in accordance with the ESRS and that the information contained in the sustainable activities disclosure paragraph under Regulation (EU) 2020/852 of the report was **not** prepared, in all material respects, in accordance with Article 8 of Regulation (EU) 2020/852.

Conclusions

Veritas' separate financial statements for the year ended December 31, 2025 show a net profit of € 9,954 thousand, down from the € 12,453 thousand profit of 2024.

The operations generated a satisfactory EBITDA in 2025 of € 75,073 thousand (15.8% of revenues), compared to € 79,826 thousand (17% of revenues) in 2024. In 2025, the increase in revenue was driven by the rate increase and the recognition of rate adjustments for the waste management service (+ € 16,014 thousand), offset by a decrease in water rate revenues due not only to the substantial recognition of rate adjustments in 2024 (€ 18,159 thousand) but also to the adjustment of revenues attributable to the Vrg (revenue cap regulation) for 2025, which resulted in a downward adjustment of € -2,473 thousand (€ 1,077 thousand in 2024). Operating results remain sensitive to the rate mechanisms governing entities operating in highly regulated sectors, such as the provision of essential services, as noted by the company in the going concern section of the Report on Operations.

The year 2025 also featured high capital expenditures (€ 102,743 thousand), covered solely in part by government grants, with obvious repercussions on the company's indebtedness. In fact, the net financial indebtedness rose by € 30,000 thousand which, combined with a lower EBITDA, explains the deterioration in the debt service coverage ratio.

At a consolidated level, the debt-to-EBITDA ratio, which is the most common ratio used in loan covenants, rose slightly from that of 2024 while remaining consistently below the threshold levels required by the banking system.

The proposed allocation of profit considers the intended use restrictions for making the new investments planned on part of the water rate: for 2025, the amount to be allotted to the New Investments Fund (Foni) was calculated as € 19,040,009.

Therefore, it is proposed to the General Meeting to allocate the € 9,954,233 profit with € 497,712 going the legal reserve and € 9,456,521 to a non-distributable reserve (with the New Investments Fund constraint), and to add € 9,583,488 to that reserve by using available reserves. At the same time, the General Meeting is requested to resolve to release € 17,834,687 from the non-distributable reserve with the New Investments Fund constraint, due to the realization of the investments planned for 2024.

Taking into account the specific duties of the independent auditors in terms of auditing the accounts and verifying the reliability of the financial statements, and the unqualified opinion they have issued, the Board of Statutory Auditors has no comments for the General Meeting regarding the approval of the separate financial statements for the year ended December 31, 2025, accompanied by the Report on Operations, as presented by the Board of Directors, and therefore has no objections to the approval of the financial statements and the proposed allocation of net profit.

We have also reviewed the Group's consolidated financial statements for the year ended December 31, 2025 and have no observations in this regard.

Venice; June 11, 2026

The Board of Statutory Auditors
Maria Giovanna Ronconi *Chair*
Andrea Burlini *Statutory Auditor*
Alessandro Doria *Statutory Auditor*

2.7.2 Independent Auditors' Report

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INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010
AND ARTICLE 10 OF THE EU REGULATION 537/2014

To the Shareholders of
Veritas S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Veritas S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information..

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Veritas S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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Revenue recognition for integrated water service – revenue earned but not yet billed	
Description of the key audit matter	Revenues from sales and services at December 31, 2025 include an amount of Euro 19.561 thousand in accrued and not yet invoiced revenues relating to the integrated water service. The revenues pertaining to the integrated water service are determined on the basis of the national rates regulation defined by the Regulatory Authority for Energy, Networks and the Environment through the rate mechanism called MTI-4. This mechanism provides for the rates to be determined on the basis of the costs incurred (so-called guaranteed revenue constraint - VRG) and establishes the methods for regulating in subsequent years the differences between the VRG and the amount invoiced to users on the basis of the volumes supplied and the tariff in force. We evaluate that the recognition of accrued and not yet invoiced revenues relating to the water service is a key aspect of the audit of the consolidated financial statements at December 31, 2025 due to the discretionary component inherent in the estimation nature of this recognition and the complexity of the calculation algorithms adopted by the Group to determine this estimate. The paragraph "Revenue recognition" states that as part of the Integrated Water Service, the Group calculates revenues for invoices to be issued estimating water consumption on the basis of a verification, specific to each user, of the historical trend of consumption. The paragraph "Revenue from rates" states that the revenues from the integrated water service are determined by reference to the accrued sales, adjusted for any positive or negative that are certain to be applied. The guaranteed revenues constraint (VRG) determines with certainty the amount of the adjustment, on the basis of the actual sales, for the year.
Audit procedures performed	As part of our audits, we have carried out, among others, the following procedures, also with the support of IT specialists from the Deloitte network: • Understanding and analysis of the criteria adopted by the Management for the determination of the VRG based on the reference rates regulations and reconciliation of revenues with the VRG; • Analysis of the IT procedures and related calculation algorithms, implemented by the Group, to determine the estimate of revenues accrued and not yet invoiced;

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- Understanding of the main controls put in place by the Group to oversee the process of estimating accrued and not yet invoiced revenues and verification of the algorithm for calculating the bills to be issued, also with the support of our specialists;

- Analysis and checks on the main parameters used by the Management for the estimation of the volumes disbursed, the bills to be issued and the tariff adjustments;

- Examination of the adequacy of the information in the commentary note on the recognition of revenues accrued and not yet invoiced at the end of the year and its compliance with the provisions of the accounting standards of reference;

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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.

- 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 Group'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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of Veritas S.p.A. has appointed us on June 27, 2022 as auditors of the Company for the years from December 31st, 2022 to December 31st, 2030.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to the art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of Veritas S.p.A. are responsible for the preparation of the report on operations of Veritas Group as at December 31, 2025, including its consistency with the related consolidated financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;

- express an opinion on compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting;

- make a statement about any material misstatement in the report on operations.

In our opinion, the above-mentioned report on operations is consistent with the consolidated financial statements of Veritas Group as at December 31, 2025.

In addition, in our opinion, the report on operations is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Sergio Di Patria
Partner

Padua, Italy
June 10, 2026

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Deloitte.

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INDEPENDENT AUDITOR'S REPORT ON THE LIMITED ASSURANCE OF THE CONSOLIDATED SUSTAINABILITY STATEMENT PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
Veritas S.p.A.

Conclusion

Pursuant to artt. 8 and 18, paragraph 1 of Legislative Decree no. 125 of September 6, 2024 (hereinafter also the "Decree"), we have carried out a limited assurance engagement on the consolidated sustainability statement of the Veritas Group (hereinafter also the "Group") for the year ended on December 31, 2025, prepared pursuant to Art. 4 of the Decree, included in the specific section of the management report.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Veritas Group for the year ended on December 31, 2025 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also "ESRS");

- the information included in the paragraph "Taxonomy Regulation– Disclosure pursuant to Article 8 of Regulation (EU) 2022/852" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - "Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)". The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had we performed a reasonable assurance engagement.

Our responsibilities pursuant to that standard are further described in the paragraph *Auditor's responsibilities for the limited assurance of the consolidated sustainability statement* of this report.

We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

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Our firm applies International Standard on Quality Management (ISQM Italia) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibility of the Directors and the Board of Statutory Auditors of Veritas S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (hereinafter the "double materiality assessment process") and for disclosing this process in "[IRO-1] Description of the process to identify and assess material impacts, risks and opportunities" of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS;
- compliance of the information included in the paragraph "Taxonomy Regulation– Disclosure pursuant to Article 8 of Regulation (EU) 2022/852" with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the art. 4 of the Decree that is free from material misstatements, whether due to fraud or error. Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

In reporting forward looking information in accordance with ESRS, the Directors are required to prepare the forward looking information on the basis of assumptions regarding events that may occur in the future and possible future actions of the Group. Due to the inherent uncertainty regarding any future event, including whether these events will take place and their extent and timing, the variances between actual outcomes and forward looking information could be significant.

The information provided by the Group regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions.

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This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain, as indicated in the "[BP-2] Disclosure in relation to specific circumstances"

Auditor's responsibilities for the limited assurance of the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatements, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;

- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;

- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of the Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the date of issuance of this report:

- understanding the business model, the Group's strategies and the context in which the Group operates with reference to sustainability matters;

- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;
- understanding the process carried out by the Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;
- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the existence of estimates and to the complexity of the calculation methods, as well as quantitative factors related to the nature of such information;
- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement also with the support of Deloitte specialists, with reference to specific environmental information;
- understanding of the process set up by the Group to identify eligible economic activities and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;
- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data accounting in nature;
- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, included the information related to the materiality assessment process;
- obtaining the representation letter.

DELOITTE & TOUCHE S.p.A.

Signed by
Sergio Di Patria
Partner

Padua, Italy
June 10, 2026

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2.8 Resolutions of the shareholders' meeting

The quorate ordinary Shareholders' Meeting which met on 26 June 2026 in Mestre, via Porto di Orlanda 39/2, also in audio video conference, regularly constituted, resolved to:

- approve the separate annual report of Veritas spa as at 31 December 2025, which closed with a profit for the year of EUR 9,954,233, consisting of the Statement of financial position, the Statement of profit or loss and other comprehensive income, the Statement of changes in shareholders' equity, the statement of Cash flow and the Notes to the financial statements, as well as the Report on Operations, pursuant to board of directors resolution of 27 May 2026;
- allocate the profit for the year to the legal reserve to the extent of 5% (EUR 497,712), to the non-distributable reserve on the basis of the New Investments Fund (Foni) constraint (EUR 9,456,521);
- allocate a part of the other available reserves to the non-distributable reserve on the basis of Foni constraint for EUR 9,583,488;
- to release the non-distributable reserve recognised previously subject to the Foni constraint (EUR 17,834,687), as the investments in water services planned for 2024 were made;
- acknowledge the report of the Board of Statutory Auditors on the separate annual report of Veritas spa as at 31 December 2025, pursuant to Art. 2429, paragraph 2 of the Italian Civil Code;
- acknowledge the report of the independent auditing firm on the annual report statements of Veritas spa as at 31 December 2025, drafted pursuant to Art. 14 of Italian Legislative Decree 39/2010 and Art. 10 of Regulation (EU) no. 537/2014.

It also acknowledged:

- the consolidated annual report of Veritas spa as at 31 December 2025, consisting of the Statement of financial position, the Statement of profit or loss and other comprehensive income, the Statement of changes in shareholders' equity, the statement of Cash flow and the Notes to the financial statements, as well as the Report on Operations including the Consolidated Sustainability Report drafted pursuant of Italian Legislative Decree 125/2024, pursuant to board of directors resolution of 27 May 2026;
- the report of the independent auditing firm on the consolidated annual report of Veritas spa as at 31 December 2025, drafted pursuant to Art. 14 of Italian Legislative Decree 39/2010 and Art. 10 of Regulation (EU) no. 537/2014, as well as the report of the independent auditing firm on limited audit of the Consolidated Sustainability Report drafted pursuant to Art. 14-bis of Italian Legislative Decree 39/2010.